



May 9, 2007

**HAND-DELIVERED**

Mark E. Fesmire, P. E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

2007 MAY 9 PM 3 40

**Re: Case 13911: Application of Apache Corporation to amend the special rules and regulations for the South Eunice-San Andres Pool. Lea County, New Mexico.**

Dear Mr. Fesmire:

Please find attached Letter of Support from Chesapeake Operating, Inc. regarding Apache Corporation's application to amend the special rules for the South Eunice-San Andres Pool. This matter is being heard at the Examiner Hearing tomorrow, May 10, 2007.

Your attention to this matter is appreciated.

Sincerely,

Ocean Munds-Dry  
Attorney for Chesapeake Operating, Inc.

Enclosure



Mike C. Wood  
Manager - Reservoir Engineering

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**VIA HAND-DELIVERY**

Mark E. Fesmire, P. E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of Apache Corporation to amend the special rules and regulations for the South Eunice-San Andres Pool, Lea County, New Mexico.**

Dear Mr. Fesmire:

Chesapeake Operating Inc. ("Chesapeake") wishes to express its strong support for Apache Corporation's application to amend the special rules and regulations for the South Eunice-San Andres Pool, Lea County, New Mexico. Apache seeks to amend the rules to allow for two wells to be located on each quarter-quarter section. Currently, the special rules allow for one well per quarter-quarter section in an 80-acre spacing unit.

Chesapeake is one of the largest operators in the South Eunice-San Andres Pool with approximately twelve wells producing or completed in this pool. To date the performance of our wells support the need for the special rules and regulations that are being considered.

Chesapeake believes that the granting of this application is in the best interest of conservation, will prevent waste and will protect correlative rights.

Thank you for your time and attention to this matter.

Sincerely,

Mike C. Wood  
Manager - Reservoir Engineering  
CHESAPEAKE OPERATING, INC.

cc: Jim Bruce