

THE OIL CONSERVATION COMMISSION

CASE NO. 14001 & 14002

EXHIBIT

15

EXECUTIVE SUMMARY

QUAIL QUEEN UNIT (QQU) PROPOSED WATERFLOOD

I. Purpose

Determine the feasibility of unitizing and implementing secondary recovery operations in the Queen sandstone in the Quail Field in Lea County, New Mexico.

II. Description

Location	Lea Co., NM
Producing Formation	Queen
Number of Wells.....	12 Active, 3 TA, 5 P&A, 1 DH
Daily Production (average over three mos.)	23 BO, 0 MCF, 56 BW
Reservoir Parameters	
Depth, average	5,100'
Productive Area	1,150 acres
Unitized Area	840 acres
Reservoir Temperature.....	113°F
Initial Reservoir Pressure	1,848 Psi
Bubble Point Pressure	1255 Psi
Current Reservoir Pressure	450 Psi
Oil Gravity	33° API
Gas Gravity	0.9
Initial Solution GOR, est.....	300 Scf/Bbl

III. Recovery and Reserves

Original Oil In Place	4,467 Mbo
Cumulative Primary Recovery 7/1/2007	788 Mbo
Cumulative Secondary Recovery, estimated to 7/1/2007	11.4 Mbo
Remaining Developed Primary	78.7 Mbo
Proved Behind Pipe.....	0 Mbo
Ultimate Primary	867 Mbo
Ultimate Primary Recovery Efficiency.....	19 %
Percent of Primary Recovered to 7/1/2007	91%
Secondary Reserves	725 Mbo
Estimate of Total Recovery	1,592 Mbo
Estimate of Total Recovery Efficiency	36 %

BEFORE THE OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

Case No. 14001 & 14002 De Novo

(Consolidated).....Exhibit No. 15

Submitted by:

CHESAPEAKE EXPLORATION, L.L.C.

Hearing Date: August 14, 2008

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