

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
CHESAPEAKE OPERATING, INC. FOR  
COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO

CASE NO. 14147

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**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Lobos Energy Partners, LLC, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Chesapeake Operating, Inc.  
P. O. Box 18496  
Oklahoma City, OK 73154

**ATTORNEY**

Ocean Munds-Dry  
Holland & Hart, LLP  
P. O. Box 2208  
Santa Fe, NM 87504-2208

**OPPOSITION OR OTHER PARTY**

Lobos Energy Partners, LLC  
3817 Northwest Expressway, Suite 950  
Oklahoma City, OK 73112

**ATTORNEY**

J. Scott Hall, Esq.  
Montgomery & Andrews, P.A.  
P. O. Box 2307  
Santa Fe, NM 87504-2307

**STATEMENT OF CASE**

**APPLICANT**

Applicant proposes to pool all mineral interests in a 160-acre project area located in the S/2 N/2 of Section 31, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico for dedication to its proposed Diamond 31 Federal Well No. 4-H to be drilled to the Bone Spring formation.

**OPPOSING PARTY**

Lobos Energy Partners, LLC is an interest owner in the proposed spacing unit. The well proposal for the Diamond 31 Federal Well No. 4H received by Lobos Energy Partners was for a Delaware formation well rather than a Bone Spring well. Without waiver of any rights, Lobos Energy Partners, LLC has entered an appearance in the case in order to obtain clarification of Applicant's proposal. Lobos Energy Partners, LLC does not at this time plan on presenting any witnesses at the hearing on this Application.

**PROPOSED EVIDENCE**

**APPLICANT**

WITNESSES

EST. TIME

EXHIBITS

**OPPOSING PARTY**

None.

*J. Scott Hall*

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J. Scott Hall

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Pre-Hearing Statement was faxed to Ocean Munds-Dry at 983-6043, on this 28<sup>th</sup> day of August, 2008.

*J. Scott Hall*

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J. Scott Hall