## Examiner Hearing –October 30, 2008 Docket No. 38-08 Page 10 of 14

Colorado for the Essex 22 State Com #1 Well (API # 30-005-28005), a horizontal wellbore with a surface location in Unit H of Section 22, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre spacing unit consisting of the S/2N/2 of this section and for its Hornet 24 State Com #3 Well (API # 30-005-28008), a horizontal wellbore with a surface location in Unit I of Section 24, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre consisting of the N/2S/2 of Section 24 of this section. These units are located approximately 30 miles east of Hagerman, New Mexico.

- 30. <u>CASE 14221</u>: Application of Chesapeake Energy Corporation for cancellation of certain permits to drill ("APDs") issued to Marbob Energy Corp, Chaves County, New Mexico. Applicant seeks an order cancelling the Division's approval of the following application for permit to drill ("APD") issued to Marbob Energy Corp for the Hoptoit State Com #3 Well (API # 30-005-27992), a horizontal wellbore with a surface location in Unit H of Section 23, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre spacing unit consisting of the S/2N/2 of this section. This unit is located approximately 30 miles east of Hagerman, New Mexico.
- 31. <u>CASE 14222</u>: Application of Chesapeake Energy Corporation for approval of a 160-acre non-standard spacing and proration unit and for compulsory pooling, Chaves County, New Mexico. Applicant seeks the formation of a 160-acre non-standard spacing and proration unit consisting of the S/2S/2 of Section 10, T15S, R31E, Chaves County, N. M. to be dedicated to its Perseus 10 Federal Com Well No. 1H (API# pending) which will be located at a standard surface location 660 feet FSL and 330 feet FWL (Unit M) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location then drilled horizontally in an westerly direction staying within a producing area 330 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 660 feet FSL and 330 feet FEL (Unit P). In addition, applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the above-described acreage. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 30 miles east of Hagerman, New Mexico.
- 32. <u>CASE 14223</u>: Application of Chesapeake Energy Corporation for approval of a 160-acre non-standard spacing and proration unit and for compulsory pooling, Chaves County, New Mexico. Applicant seeks the formation of a 160-acre non-standard spacing and proration unit consisting of the N/2S/2 of Section 10, T15S, R31E, Chaves County, N. M. to be dedicated to its Perseus 10 Federal Com Well No. 2H (API# pending) which will be located at a standard surface location 1980 feet FSL and 330 feet FWL (Unit L) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location then drilled horizontally in an easterly direction staying within a producing area 330 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 1980 feet FSL and 330 feet FEL (Unit I). In addition, applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the above-described acreage. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 30 miles east of Hagerman, New Mexico.
- 33. CASE 14224: Application of Chesapeake Energy Corporation for approval of a 160-acre non-standard spacing and proration unit and for compulsory pooling, Chaves County, New Mexico. Applicant seeks the formation of a 160-acre non-standard spacing and proration unit consisting of the S/2N/2 of Section 10, T15S, R31E, Chaves County, N. M. to be dedicated to its Perseus 10 Federal Com Well No. 3H (API# pending) which will be located at a standard surface location 1980 feet FNL and 330 feet FWL (Unit E) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location then drilled horizontally in an easterly direction staying within a producing area 330 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 1980 feet FNL and 330 feet FEL (Unit H). In addition, applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the above-described acreage. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for