

Before the Oil Conservation Division
Case 14301
Hearing June 2, 2009
Chesapeake Energy Corp.
Exhibit No. 12

KELLAHIN & KELLAHIN
Attorney at Law

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TKELLAHIN@COMCAST.NET

May 5, 2009

CERTIFICATE MAIL-RETURN RECEIPT REQUESTED
NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE:

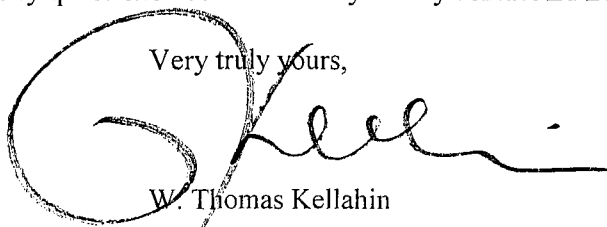
Re: NMOCD Case 14301: First Amended Application of Chesapeake Operating, Inc. for Special Rules and Regulations for the Lost Tank Delaware Pool, or in the alternative, an exception to the depth bracket allowable, the cancellation of accumulated overproduction, and procedures for the "balancing" of future overproduction, Lea County, New Mexico

On behalf of Chesapeake Operating, Inc., please find enclosed our amended application for special rules and regulations for the Lost Tank Delaware Pool, or in the alternative, for the adoption of procedures for cancellation accumulated overproduction and the "balancing of future overproduction, Lea County, New Mexico which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for at 8:15 am on June 2, 2009 (Tuesday). The hearing will be held at the Division hearing room located at 1220 South St. Francis Drive, Santa Fe, New Mexico.

You are not required to attend this hearing, but as an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Rule 1208.B, parties appearing in cases are required to file a Pre-Hearing Statement with the Division not later than 5:00 pm on Tuesday, May 26, 2009, with a copy delivered to the undersigned. This statement must include: a summary of your position, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and the identification of any procedural matters that are to be resolved prior to the hearing. In addition, the Division will impose a 200% risk charge unless you declare in this Pre-Hearing Statement that you intend to oppose it. Please note that the burden of proof as to this issue will be yours. If you have any questions about this case you may contact Ed Birdshead of Chesapeake.

Very truly yours,

A large, stylized handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', is written over the typed name.

W. Thomas Kellahin

EXHIBIT A

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

OXY USA, Inc.
PO Box 4294
Houston, Texas 77210-4294

Maralo Inc.
PO Box 832
Midland, Texas 79702

Marbob Energy Corporation
Post Office Box 227
Artesia, New Mexico 88211

Penroc Oil Corporation
PO Box 2769
Hobbs, New Mexico 88241-2769

Chi Operating, Inc.
PO Box 1799
Midland, Texas 79702-1799

Collins & Ware, Inc.
PO Box 27
Midland, Texas 79702

Pogo Production Co.
PO Box 10340
Midland, Texas 79702-7340

- SENDER: COMPLETE THIS SECTION**
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 - Print your name and address on the reverse so that we can return the card to you.
 - Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM
88210

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
Marcos Contreras

B. Received by (Printed Name) C. Date of Delivery
MARCOS CONTRERAS

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

C. 1/14/01

3. Service Type
- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label)

7008 1140 0002 1503 5311

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY USA, Inc.
PO Box 4294
Houston, Texas 77210-4294

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
James B. Brown

B. Received by (Printed Name) C. Date of Delivery
JAMES B. BROWN

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

C. 1/14/01

3. Service Type
- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label)

7008 1140 0002 1503 5328

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pogo Production Co.
PO Box 10340
Midland, Texas 79702-7340

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
Wanda F. Ford

B. Received by (Printed Name) C. Date of Delivery
Wanda F. Ford 5/13/09

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

C. 1/14/01

3. Service Type
- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label)

7008 1140 0002 1503 5410

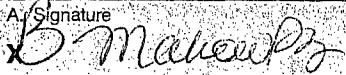

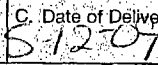
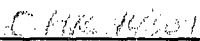
PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER'S COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p><input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p><input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you.</p> <p><input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <div style="border: 1px solid black; padding: 2px; display: inline-block;">X</div> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p style="text-align: center; font-size: 1.2em; margin-top: 20px;">Marbob Energy Corporation Post Office Box 227 Artesia, New Mexico 88211</p>		<p>B. Received by (Printed Name) <div style="border: 1px solid black; padding: 2px; display: inline-block;">MORRIS</div></p> <p>C. Date of Delivery <div style="border: 1px solid black; padding: 2px; display: inline-block;">5-10-01</div></p>	
<p>2. Article Number <div style="border: 1px solid black; padding: 2px; display: inline-block;">7006 0100 0005 5710 8985</div></p> <p><i>(Transfer from service label)</i></p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	<p>A. Signature <div style="border: 1px solid black; padding: 2px; display: inline-block;">X </div> <div style="text-align: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</div> </p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 10px; margin-top: 10px; text-align: center;"> <p>Penroc Oil Corporation</p> <p>PO Box 2769</p> <p>Hobbs, New Mexico 88241-2769</p> </div>	<p>B. Received by (Printed Name) <div style="border: 1px solid black; padding: 2px; display: inline-block;">A. J. Alex</div> </p> <p>C. Date of Delivery</p>
<p>2. Article Number <i>(Transfer from service label)</i></p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>3. Service Type</p> <div style="display: flex; justify-content: space-between;"> <div><input checked="" type="checkbox"/> Certified Mail</div> <div><input type="checkbox"/> Express Mail</div> </div> <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/> Registered</div> <div><input type="checkbox"/> Return Receipt for Merchandise</div> </div> <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/> Insured Mail</div> <div><input type="checkbox"/> C.O.D.</div> </div>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<div style="border: 1px solid black; padding: 5px; display: inline-block; font-family: monospace; font-size: 1.2em;"> 7008 1140 0002 1503 5397 </div>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	<p>A. Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p>	<p>B. Received by (Printed Name)  </p> <p>C. Date of Delivery  </p>
<p>2. Article Number (Transfer from service label)</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>Chi Operating, Inc. PO Box 1799 Midland, Texas 79702-1799</p>	<p></p>
<p>3. Article Number (Transfer from service label)</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>4. Restricted Delivery? (Extra Fee)</p>	<p><input type="checkbox"/> Yes</p>
<p>7008 1140 0002 1503 5403</p>	
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-154</p>	

7008 1140 0002 1503 5427

U.S. Postal Service	
CERTIFIED MAIL - RECEIPT	
(Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total	
Collins & Ware, Inc.	
PO Box 27	
Midland, Texas 79702	
PS Form 3800, October 2005	

7008 1140 0002 1503 5335

U.S. Postal Service	
CERTIFIED MAIL - RECEIPT	
(Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Po	
Maralo Inc.	
PO Box 832	
Midland, Texas 79702	
PS Form 3800, October 2005	