HOLLAND&HART.

Ocean Munds-Dry omundsdry@hollandhart.com

October 12, 2010

VIA HAND-DELIVERY

Mr. Mark E. Fesmire Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Re: <u>Case Nos. 14477 and 14478/ Order No. R-13303</u>: Applications of Chesapeake Exploration, LLC Doing Business Through Its Agent, Chesapeake Operating Inc. for Statutory Unitization of the Chambers Strawn Unit Area and for Approval of a Waterflood Project and Qualification of the Project Area of the Chambers Strawn Unit for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico.

Dear Mr. Fesmire:

On September 9, 2010, the Division granted Chesapeake Operating Inc.'s ("Chesapeake") application to statutorily unitize the Chambers Strawn Unit Area and approved a waterflood project and certified the project as an "Enhanced Oil Recovery Project" eligible for the enhanced oil recovery tax rate in Order No. R-13303. The Unitized Formation was amended in the Order to comprise "that stratigraphic interval underlying the Unit Area from the base of the Strawn Carbonate formation to a point 100 feet above the top of the Strawn Carbonate formation. See page 7, Order Paragraph 3. Since the Unitized Formation was revised from what was proposed to and ratified by the interest owners in the Unit, the Division required Chesapeake to seek re-ratification of the Unit Agreement with the amended language by at least 75 percent of working and non-cost bearing interest owners. See page 8, Order Paragraph 5.

Accordingly, Chesapeake has enclosed ratifications from at least 75 percent of both working and royalty interest owners. Also, enclosed for your information is the vote totals for both working and royalty interest owners showing at least 75 percent have ratified the revised Unit Agreement. Pursuant to Order Paragraph 5 of Order No. R-13303, Chesapeake respectfully requests a supplemental order certifying that the Unit Agreement, as revised, has been approved by at least 75 percent of the working and royalty interest owners.

October 12, 2010 Page 2



Also, there appears to be an error in the description of the Unit Area on page 7, Order Paragraph 2. The Unit Area is described as including the NW/4, S/2 NW/4 and the SW/4 of Section 8. However, the correct description of the Unit Area for Section 8 is the <u>NW/4</u> NW/4, S/2 NW/4 and the SW/4. This is the description used on page 2, Finding Paragraph 2. Since this appears to be merely a clerical error, Chesapeake requests that the Supplemental Order also include a correction of the Unit Area in Section 8.

Chesapeake requests a supplemental order be issued as soon as possible. Thank you for your time and attention to this matter. Please let me know if you have any questions or concerns.

Very truly yours,

Ocian Munds-Dy

Ocean Munds-Dry **O** Attorney for Chesapeake Operating Inc.

cc: Will Jones

Enclosures

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

THE APPLICATION OF CHESAPEAKE EXPLORATION, LLC DOING BUSINESS THROUGH ITS AGENT, CHESAPEAKE OPERATING INC., FOR STATUTORY UNITIZATION OF THE CHAMBERS STRAWN UNIT AREA, LEA COUNTY, NEW MEXICO

CASE NO. 14477

THE APPLICATION OF CHESAPEAKE EXPLORATION, LLC, DOING BUSINESS THROUGH ITS AGENT, CHESAPEAKE OPERATING, INC., FOR APPROVAL OF A WATERFLOOD PROJECT AND QUALIFICATION OF THE PROJECT AREA OF THE CHAMBERS STRAWN UNIT FOR THE RECOVERED OIL TAX RATE PURSUANT TO THE ENHANCED OIL RECOVERY ACT, LEA COUNTY, NEW MEXICO

> CASE NO. 14478 ORDER NO. R-13303

ORDER OF THE DIVISION

BY THE DIVISION:

These cases came on for hearing at 8:15 a.m. on May 27, 2010 at Santa Fe, New Mexico before Examiner William V. Jones.

NOW, on this 9th day of September, 2010, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

1. Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

2. In Case No. 14477, Chesapeake Exploration, LLC doing business as Chesapeake Operating, Inc. ("Chesapeake") seeks statutory unitization, pursuant to the Statutory Unitization Act, NMSA 1978 Sections 70-7-1 through 70-7-21, as amended ("the Statutory Unitization Act"), of 480 acres, more or less, of fee lands located in Lea County, New Mexico, more particularly described as follows,

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

| Section 7: | NE/4, NE/4 SE/4 |
|------------|---------------------------|
| Section 8: | NW/4 NW/4, S/2 NW/4, SW/4 |

The proposed Chambers Strawn Unit statutory unit is for the purpose of instituting secondary recovery operations which include a waterflood project within the Northeast Shoe Bar-Strawn Pool, and approval of the Unit Agreement and the Unit Operating Agreement, which were submitted as Applicant's Exhibits No. 2 and 5 in this case.

3. In Case No. 14478, Chesapeake seeks approval to institute secondary recovery operations including a waterflood project for the injection of water into the Strawn formation, Northeast Shoe Bar-Strawn Pool, initially through the following two injection wells:

Chambers 7 Well No. 1 API No. 30-025-33623 1700FNL, 900FEL, H-7-16S-36E Runnels 8 Well No. 1 API No. 30-025-34264 780FSL, 1510FWL, N- 8-16S-36E

Chesapeake further seeks provisions allowing for the administrative approval of additional injection wells and seeks to qualify the proposed project as an "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5, as amended).

4. Cases No. 14477 and 14478 were consolidated at the hearing for the purpose of testimony. Because the cases involve the same property and subject matter, a single order is being issued in both cases.

5. No party entered an appearance in these cases or otherwise indicated opposition to the implementation of enhanced recovery operations or the unitization of the Unit Area.

6. The proposed vertical extent ("Unitized Formation") of the unit is that stratigraphic interval occurring from the base of the Strawn Carbonate formation to 100 feet above the top of the Strawn Carbonate formation. This Strawn Carbonate interval is located at the following depths shown on logs in the following Chesapeake Operating, Inc. wells, all located in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico:

a. Runnels "8" Well No. 1 (API No. 30-025-34264) located 780 feet from the South line and 1510 feet from the West line of Section 8, between 11442 feet and 11738 feet (-7490 feet to -7786 feet subsea),

b. Alston "8" Well No. 1 (API No. 30-025-33876) located 2281 feet from the South line and 531 feet from the West line of Section 8, between 11422 feet and 11706 feet (-7463 feet to -7747 feet subsea), and c. Chambers "7" Well No. 1 (API No. 30-025-33623) located 1700 feet from the North line and 900 feet from the East line of Section 7, between 11376 feet and 11660 feet (-7459 feet to -7743 feet subsea).

7. Chesapeake presented the testimony of landman Terry Frohnapfel as follows:

- (a) In late March, 2010 the proposed unit was proposed by Chesapeake to the working interest owners in the unit area. On April 15, 2010, Chesapeake conducted a working interest meeting to review the proposed unitization plan and the unit agreement with the other working interest owners in the unit area and on April 19, 2010 provided the Unit Agreement and Unit Operating Agreement to all working interest owners and all royalty owners in the Unit Area. Since that time, and in accordance with the provisions of the Unit Agreement, Chesapeake has had numerous conversations with the owners in the Unit Area concerning this proposed unit.
- (b) The proposed Unit contains seven separate tracts owned by numerous parties. All owners within this proposed Unit have valid addresses and notices were sent to all owners for purposes of forming this statutory unit. Tracts comprising the 480 acres committed to the Unit are in private ownership and comprise 100% of the unit area. Approximately 75.6% of the working interest was committed to the unit at the time of hearing; and when the ratifications are received from owners who have expressed an interest in participating but had not returned their ratification forms, approximately 93% of the working interest will be committed to the Unit. Owners of 100% of the non-cost bearing interests were committed to the Unit at the time of the hearing.

8. Chesapeake presented the testimony of petroleum geologist Chima Nzewunwah interpreted as follows:

- (a) The primary stratigraphic interval of interest in the proposed Chambers Strawn Unit is the Strawn carbonate. The porous algal mound within the Strawn contains hydrocarbons and the best candidate for waterflooding is the clean limestone in the upper part of the Strawn.
- (b) Core data is available on one well and 3-D seismic and well control were both used to determine the extent of this reservoir.
- (c) The Structure Map shows an east/southeast downward dip on the top of the Strawn carbonate and logs show generally increasing water to the south and southeast. When the Type Log and the Structure Map are compared, it is clear that the portion of the reservoir that is proposed to be unitized is reasonably defined by development.

- (d) The hydrocarbon pore volume map (greater than 5% porosity and less than 45 API units gamma ray) shows that the pore volume does change within this reservoir but, based on water saturation information and hydrocarbon pore volume data, the target porosity is present over the proposed unit area and the entire unitized area should contribute additional secondary reserves.
- (e) The unit area shows good continuity, the entire proposed unit area should contribute enhanced recovery reserves, and it is well suited for secondary recovery operations.

9. Chesapeake presented the testimony of petroleum engineer Everett Bradley interpreted as follows:

- (a) The Strawn oil is approximately 43 degree API gravity and has no H2S contaminant. The initial reservoir pressure was estimated at 4,200 psi and current pressure is estimated at 800 psi. The permeability is very good within this Strawn algal mound even at over 11,000 feet deep. There is no indication of a secondary gas cap on this reservoir.
- (b) The reservoir has been produced to date under primary recovery operations and 90% of ultimate primary has already been recovered. The estimated remaining primary gross production from the Unit Area amounts to approximately 68,000 barrels of oil.
- (c) The secondary recovery operation will be initiated with two injection wells and only one production well and will be implemented in one phase.
- (d) The estimated additional capital costs of implementing the proposed secondary plan are 1.25 million dollars.
- (e) The estimated future gross production from the Unitized Formation of the Unit Area if the proposed secondary recovery operation is implemented is approximately 572,000 barrels of oil and 580,000 Mcf of natural gas.
- (f) Unitized management of this pool is necessary to effectively implement and carry on the proposed secondary recovery operations.
- (g) The tract participation formula in the Unit Agreement was presented at the working interest owners meeting and is based on tract percentages of the unit for the following parameters: latest average production rate, remaining primary reserves, ultimate primary recovery volume, volume of original oil in place, and number of usable wellbores. This formula allocates unitized substances to the owners of each tract on a fair, reasonable and equitable basis.

- (h) Each of the two proposed injection wells is expected to take 1800 barrels of produced water per day. Makeup produced water will be transported from 6 or 7 miles to the east and no fresh makeup water will be used.
- (i) Injection pressures are expected to initially be low and the proposed maximum injection pressure for each injection well is based on 0.2 psig per foot of depth to the top of the injection interval. If a higher pressure is needed, Chesapeake will justify the pressure increase with a step rate test.
- (j) The two active wells which penetrate the Strawn formation within the ½ mile areas of review have adequate cement to isolate the injection interval and to protect fresh water, and no remedial work is required on these wells.
- (k) There are no plugged and abandoned wells in the two areas of review that penetrated into the Strawn formation.
- (1) The fresh ground water in this area consists of the Ogallala formation that produces from intervals 51 to 160 feet in depth. There is no evidence of non-sealing geologic faults or inadequately cemented wellbores between the proposed waterflood interval and protectable waters. The proposed injection operation will not pose a threat to any freshwater supplies.
- (m) Waterflooding of this Unit Area is expected to be profitable and is necessary to extend the producing life of this reservoir and prevent waste of hydrocarbons.

10. Ronald Miles, mineral owner in Section 17 to the southeast was present at the hearing and asked about the extent of this reservoir within Section 17. Chesapeake's engineer stated that the acreage within the northeastern portion of Section 17 is likely not part of the Strawn reservoir being targeted by Chesapeake for this Unit and this waterflood.

11. Division records indicate that a well located within Unit Letter P of Section 7, the Chambers Well No. 2, API No. 30-025-36317, is producing a low volume of oil and high volume of water from the Strawn formation. This well is offsetting the proposed Unit but Chesapeake's testimony and post-hearing correspondence indicate this well is not connected to the proposed waterflood or the algal mound portion of the Strawn formation.

12. Chesapeake has made a good faith effort to secure voluntary unitization of the Unitized Formation within the Unit Area.

13. The proposed Unit Agreement and Unit Operating Agreement contain satisfactory provisions with respect to all of the matters required by NMSA 1978 Section 70-7-7, as amended.

14. The tract participation formula contained in the proposed Unit Agreement allocates the produced and saved, unitized hydrocarbons to the separately owned tracts in the Unit Area on a fair, reasonable and equitable basis.

15. The estimated additional costs of the proposed operations will not exceed the estimated value of the additional oil and gas recovered plus a reasonable profit.

16. As of the hearing date, owners of more than 75% of the working interest and owners of 100% of the non-cost bearing interest have voluntarily committed to the unit, as the unit was defined at that time. The definition of the Unitized Interval changed after the date of this hearing – raising the base of the Unitized interval from "100 feet below the base of the Strawn" to "the base of the Strawn". Despite having the required concurrence for the previously worded Unit Agreement, Chesapeake should seek approval from owners of this unit for the currently worded Unit Agreement.

17. The provisions of the proposed Unit Agreement and Unit Operating Agreement are fair and reasonable. The statutory unitization of the Unitized Formation within the Unit Area in accordance with the plan embodied in the Unit Agreement and the Unit Operating Agreement will prevent waste and protect correlative rights.

18. Statutory unitization and adoption of applicant's proposed unitized method of operation will benefit the working interest and royalty interest owners within the proposed Unit Area, and will prevent waste and protect correlative rights of all parties.

19. The unitized management, operation and further development of the Northeast Shoe Bar-Strawn Pool in the proposed Unit Area is reasonably necessary in order to effectively carry on the proposed secondary recovery project, which will substantially increase the ultimate recovery of oil and gas from this pool, and delays in implementing this project are detrimental to ultimate recovery from this reservoir.

20. The applicant proposes to institute a secondary recovery (waterflood) project within the Chambers Strawn Unit Area.

21. The evidence presented demonstrates that (i) the application for approval of the proposed secondary recovery project has not been prematurely filed either for economic or technical reasons; and (ii) the area affected by the proposed project has been so depleted by primary operations that it is prudent to apply secondary recovery techniques to maximize the ultimate recovery of crude oil from the Northeast Shoe Bar-Strawn Pool.

22. The proposed waterflood is feasible and will result with reasonable probability in the recovery of substantially more oil and gas from the unitized portion of the pool than would otherwise be recovered.

23. The proposed Chambers Strawn Unit Waterflood Project should be approved and should be governed by 19.15.26.1 through 19.15.26.15 NMAC.

Case Nos. 14477 and 14478 Order No. R-13303 Page 7 of 10

24. The evidence establishes that the proposed secondary recovery project meets all the criteria for certification by the Division as a qualified "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5).

25. The certified "project area" should initially comprise the area approved for statutory unitization as described above in this order.

26. The area within the waterflood project and/or the producing wells within such area eligible for the recovered oil tax rate may be contracted and reduced dependent upon the evidence presented by the applicant in its demonstration of the occurrence of a positive production response.

IT IS THEREFORE ORDERED THAT:

1. The application of Chesapeake Operating Inc. for the statutory unitization of 480 acres, more or less, in Lea County, New Mexico, to be known as the Chambers Strawn Unit, is hereby approved pursuant to the Statutory Unitization Act, Sections 70-7-1 through 70-7-21, NMSA 1978, subject to the following provisions.

2. The Chambers Strawn Unit shall comprise the following described 480 acres, more or less, of fee lands located in Lea County, New Mexico:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Section 7: NE/4, NE/4 SE/4 Section 8: NW/4, S/2 NW/4, SW/4

3. The Unitized Formation shall comprise that stratigraphic interval underlying the Unit Area from the base of the Strawn Carbonate formation to a point 100 feet above the top of the Strawn Carbonate formation. This Strawn Carbonate interval is located at the following depths shown on logs in the following Chesapeake Operating, Inc. wells, all located in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico:

a. Runnels "8" Well No. 1 (API No. 30-025-34264) located 780 feet from the South line and 1510 feet from the West line of Section 8, between 11442 feet and 11738 feet (-7490 feet to -7786 feet subsea),

b. Alston "8" Well No. 1 (API No. 30-025-33876) located 2281 feet from the South line and 531 feet from the West line of Section 8, between 11422 feet and 11706 feet (-7463 feet to -7747 feet subsea), and

c. Chambers "7" Well No. 1 (API No. 30-025-33623) located 1700 feet from the North line and 900 feet from the East line of Section 7, between 11376 feet and 11660 feet (-7459 feet to -7743 feet subsea).

4. The Unit Agreement, with the unitized interval as defined above, and the Unit Operating Agreement shall be effective upon entry of an order certifying that these instruments have been ratified as required. These agreements shall be incorporated by reference into this order.

5. This order shall not become effective until the Unit Agreement as amended to revise the definition of the "Unitized Formation" has been ratified by (i) those persons who will be required initially to pay at least 75 percent of the costs of unit operations, and (ii) the owners of at least 75 percent of the production or proceeds thereof that will be credited to interests which are free of costs, and the Division has made a finding in a supplemental order that the Unit Agreement, as changed, has been so approved. If approval is not obtained within six months from the date of this order, this order shall be of no further effect unless the Division shall extend the time for ratification.

6. The applicant shall notify the Division Director in writing of any removal of the applicant as unit operator or substitution as unit operator of any other working interest owner within the Unit Area. In the event a person other than Chesapeake assumes operation of the unit established hereby, such person shall comply with all the terms and provision of this order.

7. The unit established hereby shall terminate upon the plugging and abandonment of the last well in the Unit Area completed in the Unitized Formation.

8. Chesapeake is hereby authorized to institute enhanced recovery operations within the Unit Area by the injection of produced water, limited to only the Strawn formation, within Unitized Formation of the Northeast Shoe Bar-Strawn Pool through the two wells shown below. Said wells are located in Sections 7 and 8 of Township 16 South, Range 36 East, NMPM, Lea County, New Mexico.

| Injection Well and AP | | Allowable Gross Injection Interval, Feet |
|---|-------------------------------|---|
| Chambers 7 Well No. 1 (APl No. 30-025-33623) | 1700FNL, 900FEL, H-7-16S-36E | 11376 to 11660 |
| Runnels 8 Well No. 1 (API No. 30-025-34264) | 780FSL, 1510FWL, N- 8-16S-36E | 11442 to 11738 |

9. No fresh water shall be used as make-up water or otherwise injected.

10. Chesapeake shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells. 11. Injection into each of the wells shall be accomplished through lined injection tubing installed in an injection packer. Said packer must be located within 100 feet of the actual uppermost injection perforation or injection interval. The casing-tubing annulus shall be filled with an inert, corrosion resistant fluid, and a gauge or approved leak-detection device shall be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

12. The injection wells or pressurization system shall be equipped with a pressure control device or acceptable substitute that is capable of limiting the surface injection pressure on each well. The maximum allowable surface pressure on any injection well within this waterflood project shall be limited to **no more than 2275 psi**.

13. The Division Director may administratively authorize a pressure limitation in excess of the above upon a showing by the operator that such higher pressure will not result in the fracturing of the injection formation or confining strata in any well.

14. The Division Director may administratively authorize additional injection wells within the Unit Area as provided in 19.15.26.8G(5) NMAC.

15. Prior to commencing injection operations, the casing in each well shall be pressure tested throughout the interval from the surface down to the casing/tubing packer setting depth to assure the integrity of such casing.

16. The unit operator shall give advance notice to the supervisor of the Division's Hobbs District Office of the date and time (i) injection equipment will be installed, and (ii) the mechanical integrity pressure test will be conducted on the proposed injection wells, so that these operations may be witnessed.

17. The unit operator shall immediately notify the supervisor of the Division's Hobbs District Office of any failure of the tubing, casing or packer in any of the injection wells or the leakage of water, oil or gas from or around any producing or plugged and abandoned well within the project area, and shall promptly take all steps necessary to correct such failure or leakage.

18. The unit operator shall conduct injection operations in accordance with 19.15.26.1 through 19.15.26.15 NMAC and shall submit monthly progress reports in accordance with 19.15.26.13 NMAC and 19.15.7.24 NMAC.

19. The injection authority granted herein for each well shown on Exhibit "A" shall terminate one year after the date of this order if the unit operator has not commenced injection operations into the well; provided, however, the Division, upon written request, may grant an extension for good cause.

20. The waterflood project authorized by this order shall be known as the Chambers Strawn Unit Waterflood Project.

21. The Chambers Strawn Unit Waterflood Project is hereby certified as an "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5). The project area shall comprise the entire Chambers Strawn Unit, described in Ordering Paragraph No. 2; provided the area and/or the producing wells eligible for the enhanced oil recovery (EOR) tax rate may be contracted and reduced based upon the evidence presented by the unit operator in its demonstration of a positive production response.

22. At such time as a positive production response occurs, and within five years from the date of this order, the unit operator must apply to the Division for certification of a positive production response. This application shall identify the area benefiting from enhanced oil recovery operations and the specific wells eligible for the EOR tax rate. The Division may review the application administratively or set it for hearing. Based upon the evidence presented, the Division will certify to the New Mexico Taxation and Revenue Department those wells that are eligible for the EOR tax rate.

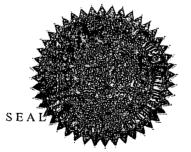
23. The injection authority granted under this order is not transferable except upon Division approval. The Division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

24. The Division may revoke the injection authority for any well after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

25. Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

26. Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (i) to protect fresh or protectable waters or (ii) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, or without notice and hearing in case of emergency, terminate the injection authority granted herein.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK É. FESMIRE, P.E.

Acting Director

Chambers Strawn Unit Re-Ratification Approval Totals Case Nos. 14477 and 14478 Order No. R-13303

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Approvals / Working Interest Owners

| Number | Percent | |
|---------|---------------|---|
| 12 8 | 100.0 75.8 | Total Working Interest owners in proposed unit. Percent of Working Interest owners approving the revised Unit Agreement |
| 4 | 24.1 | Have not responded |

1 . 4

Approvals / Mineral Interest Owners & Overriding Royalty Interest Owners

| Number | Percent | |
|----------|---------------|---|
| 22 17 | 100.0 88.8 | Total Mineral Interest/ORRI owners in proposed unit. Percent of Mineral Interest owners approving the revised Unit Agreement. |
| 5 | 11.2 | Have not responded |

Note: There are 5 ORRI owners included in this number count, their interest cannot be included toward the approval percent total.

14 out of 17 mineral owners have approved the unit agreement. 3 out of 5 overriding royalty owners have approved the revised Unit Agreement.

The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of working interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this 17th day of | Seq | tember, 2010. | |
|---------------------------|---------------|--|--------|
| WITNESS: | | Chesapeake Exploration, L.L.C. | TF CBB |
| | By: Title: | Henry J. Hood Senior Vice-President Land and Legal & General Counsel | |
| | | | |
| Addres | SS: | Chesapeake Exploration, L.L.C. P.O. Box 18496 Oklahoma City, OK 73154-0496 | |

STATE OF OKLAHOMA SS. COUNTY OF OKLAHOMA

The foregoing instrument was acknowledged before me on the 15th day of September, 2010, by Henry J. Hood, Sr. Vice President - Land & Legal and General Counsel, Chesapeake Exploration, L.L.C., an Oklahoma limited liability company.

WITNESS my hand WENDOR WOTARL # 07011389 EXP. 12/11/11 P. OBLIC OF OKLAMININ My Commission expires:

Annwendor Notary Public

My Commission expires:

12/11/11

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this 21^{5+} da | ay of <u>September</u> , 2010. |
|----------------------------|---|
| WITNESS: | Chesapeake Investments, L.P. By: Title: |
| | |
| A | ddress: Chesapeake Investments, L.P. P.O. Box 18756 Oklahoma City, OK 73154 |

STATE OF OKIahoma COUNTY OF OKIAhoma The foregoing instrument was acknowledged before me on <u>21st</u> day of <u>September</u>, 2010, by <u>Aubrey K. McClendon</u>, <u>General Partner</u>, of <u>Chesapeake</u> Truestments; L.P.

WITNESS my hand and official seal.

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Notary P # 08011086 EXP. 11/07/12 My Commission expires: 11.7.12

The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this 3 Of day of Storthouse, 2010.

WITNESS:

David Petroleum Corp.

Roswell, NM 88203

Edward Mr. David By: Edward N. David Title: Executive Vice Apres, dent

Address: David Petroleum Corp. 116 W. 1st Street

STATE OF _____

• • •

COUNTY OF _____

The foregoing instrument was acknowledged before me on _____ day of _____, 2010, by ______

WITNESS my hand and official seal.

Notary Public

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My Commission expires: _____

The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of working interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this <u>22nd</u> day of <u>September</u>, 2010.

WITNESS:

ICA Energy, Inc.

MIKE IRONS By: PRESIDENT Title:

Address:

ICA Energy, Inc. 700 N. Grant Ave. Odessa, TX 79760-0233 STATE OF TEXAS

COUNTY OF ECTOR

The foregoing instrument was acknowledged before me on 22ND day of , 2010, by MIKE IRONS, PRESIDENT OF SEPTEMBER ICA ENERGY, INC., A TEXAS CORPORATION, ON BEHALF OF SAID CORPORATION.

WITNESS my hand and official seal.



Notary Publi

My Commission expires: <u>11-21-2013</u>

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The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this 19th | _day of | September, 2010. | |
|--------------------|---------------|--|--|
| WITNESS: | By: Title: | Playtime, Inc. Dign Michael Muckleröy President | |
| | Address: | Playtime, Inc. 250 Sterling Ave Winter Park, FL 32789-5747 | |

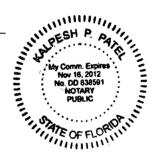
STATE OF FLORIDA COUNTY OF ORANGE The foregoing instrument was acknowledged before me on 20Th day of <u>SEPTEMBER</u>, 2010, by <u>JON M MUCKLEROY</u>

WITNESS my hand and official seal.

Notary Public

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My Commission expires:



, N

The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this _20世_c | lay of <u>Sep</u> | tember , 2010. | |
|----------------------|-------------------|--|----------|
| WITNESS: | | Quimex International, Inc. | |
| | By: Title: | John Michael Muckleroy President | <u>-</u> |
| | | | |
| , | Address: | Quimex International, Inc. P.O. Box 2662 Midland, TX 79202 | |

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me on _____ day of _____, 2010, by ______

WITNESS my hand and official seal.

Notary Public

My Commission expires:

The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this 120 day of September , 2010.

WITNESS:

Rudd Family Trust

1 f. Child Trustee Bv:

Title: Trustee

Address:

Rudd Family Trust P.O. Box 1719 Amarillo, TX 79159

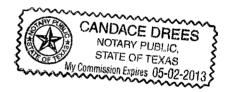
STATE OF _______ COUNTY OF DOTTEY The foregoing instrument was acknowledged before me on _____ day of _________, 2010, by __________

WITNESS my hand and official seal.

7+,

frees ary Public

5.02.1 My Commission expires: _



The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this _ | 28th | _day of _ | 5 | eptember | ; | , 2010. | |
|-----------------|------|-----------|---------------|--|---------------------|---------|-----------|
| WITNESS: | | | By: Title: | TLW Investmen Address Mark E. Robins Vice President | pol | 1 | When ales |
| | | Addres | SS: | TLW Investmen Attn: Excugates 1001 Fannin, S Houston, TX 72 | Barry Suite 2020 | у МсКау | |

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on <u>28th</u> day of <u>September</u>, 2010, by <u>Mark E. Robinson</u>, <u>Vice President, Land & Legal of TLW Investments</u> L.L.C., an Oklahoma limited liability company

WITNESS my hand and official seal.

Notary Public

My Commission expires: _____



The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned also represents that it is the owner of royalty interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this 29th day of 2010. WITNESS: Shelley Marsh Rice Bv: Address: Shelley Marsh Rice

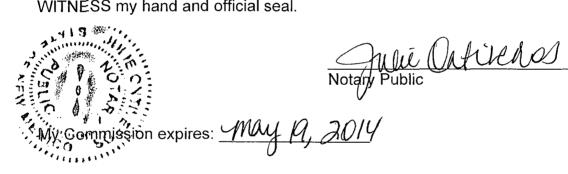
24 Rosebud Lane Lovington, NM 8826

STATE OF <u>MW</u> MULICO COUNTY OF _ day of

WITNESS my hand and official seal.

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. . . .



The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this $\mathcal{Q} \oslash$ day of ben , 2010.

WITNESS

Alu. Bv: Richard C. Campbell

Address: Richard C. Campbell

1201 North Hillcrest Drive

Payson, AZ 85541

STATE OF ANCONC COUNTY OF Gila

The foregoing instrument was acknowledged before me on 20^{+N} day of <u>September</u>, 2010, by <u>Richard Compbell</u>

WITNESS my hand and official seal.



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Notary Public

My Commission expires: <u>OU/27/2013</u>

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The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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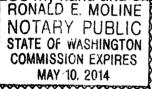
The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this 27 th day of | SEP | <u> た, 2010.</u> |
|----------------------------|---------------|--|
| WITNESS: | By: Title: | Freida S. Batten |
| | | |
| | Address: | Freida S. Batten 818 Pipeline Drive Goldendale, WA 98620 |

STATE OF MASh. COUNTY OF KLICKITAT

The foregoing instrument was acknowledged before me on <u>27</u>74 day of Sept. , 2010, by <u>FREIOAN</u> 5. <u>BATTEN</u>

WITNESSmychand and afficial seal.



R E. Mohine

Notary Public

My Commission expires: <u>5-10-2014</u>

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this day of Δ , 2010.

WITNESS:

Weldon R. Yarbro, a/k/a Weldon Yarbro, As his separate property

elden Gan Bv:

Title:

Address: Weldon R. Yarbro 1103 W. Avek Lovington, NM 88260

STATE OF Jun Meline COUNTY OF

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The foregoing instrument was acknowledged before me on $\frac{17}{\sqrt{e}}$ day of \sqrt{e}

Notary Public Normany

My Commission expires: Man 123, 2011

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this day of . 2010.

WITNESS:

Don E. Yarbro, a/k/a Don Yarbro, as his Separate property

By:

Title:

Address: Don E. Yarbro 1007 W. Ave. K Lovington, NM 88260

STATE OF <u>Menho</u> COUNTY OF <u>Len</u>

The foregoing instrument was acknowledged before me on ______, September _____, 2010, by ______, Do N _____, P day of

Notary Public Janea

My Commission expires: Manuh 28,20//

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this 28 day of <u>Xplentre</u>, 2010. WITNESS Aetna Bess Eaves Berry Address: Aetna Bess Eaves Berry P.O. Box 1551

Lovington, NM 88260

NM STATE OF KQU COUNTY OF

The foregoing instrument was acknowledged before me on 2 _________, 2010, by __________ _ day of erron

WITNESS my hand and official seal.

oach uch. Notary Public

My Commission expires: 2/012 1)-0

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

20 day of September EXECUTED this . 2010. WITNESS: dward Armstropg Elkan, Jr. By: Charles N. Wallace, Jr. Title Trust Asset Manager and Officer Wells Fargo Bank, N.A., Agent for Edward Armstrong Elkan, Jr. Address: Edward Armstrong Elkan, Jr. % Wells Fargo OGM Operations AU 10291 Agent Acct #73091600 P.O. Box 1959 Midland, TX 79702

STATE OF <u>Ledos</u> COUNTY OF <u>Midland</u>

The foregoing instrument was acknowledged before me on ______day of ________, 2010, by ________, 2010, by _______, *har less N. Mallace*, ([.________, 1...]), *har less N. Mallace*, ([._______]), *har less*, ([.______]), *har less*, ([._____]), *har less*, ([._____]), *har less*, ([._____]), *har less*, *har less*

Notary Public

My Commission expires: $\underline{4}$ - 5-2011



The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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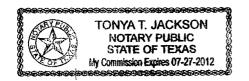
EXECUTED this 1 day of deptember , 2010. WITNESS: 1240 Christine Chambers Pruit

Address: Christine Chambers Pruitt 1780 Hwy 4 Jacksboro, TX 76458

| STATE OF | AQXC12 |
|-----------|--------|
| COUNTY OF | Jacob |

The foregoing instrument was acknowledged before me on 17 day of deptember , 2010, by <u>Christics Chambers Phur</u>

WITNESS my hand and official seal.



Notary Rublic

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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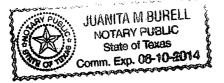
The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this <u>H</u> day of <u>Deplember</u>, 2010. WITNESS: alleen Chana By: Colleen Chambers Schultz **Colleen Chambers Schultz** Address: P.O. Box 776 Persall, TX 78061-0776

STATE OF ____ Texas COUNTY OF _ Frid

The foregoing instrument was acknowledged before me on 3/2 day of <u>September</u>, 2010, by <u>Collen Chamber</u> Schult 7

WITNESS my hand and official seal.



Notary Public

My Commission expires: <u>Ole /10/2014</u>

The undersigned royalty interest owner (whether one or more) hereby <u>acknowledge</u> receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

...

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| EXECUTED this day of | September, 2010. |
|--------------------------|---|
| WITNESS: Banay Joainy | Charlene E. Dye <u>Charlene E. Dye</u> By: By: Title: |
| | Address: Charlene E. Dye 3209 W. Avenue D Lovington, NM 88260 |

STATE OF Yew Mexico COUNTY OF lea

| The foregoing instrument was acknowledged before me on Neptember, 2010, by | 30th day of | f |
|---|-------------|---|
| Deptember, 2010, by Charline E. | Due | |
| q | | |

WITNESS my hand and official seal.

en attineros

Notary Public

My Commission expires:



OFFICIAL SEAL Marleen Ontiveros NOTARY PUBLIC STATE OF NEW MEXICO My Commission Expires: (0-10-2011

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this <u>27</u>th day of <u>September</u>, 2010. WITNES! Dudley P. Murph, Trustee Dudley P. Murph Revocable Living Trust Dudlev P. Murr By: Title: Address: Dudley P. Murph 3019 W. Avenue D Lovington, NM 88260

STATE OF Mon Monico COUNTY OF Leg

The foregoing instrument was acknowledged before me on 27th day of September, 2010, by Dudley P. Murph

Mari Malencia Notary Public

My Commission expires: June 9, 2013

New York With Low Con-

. . . .

The undersigned royalty interest owner (whether one or more) hereby acknowledge-receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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| EXECUTED this $\underline{27}$ day of _ | Sep | tembor | , 2010. |
|---|---------------------------------------|---|------------------------|
| WITNESS: | K. E. <u>X.e.</u> By: Title: | nnetto (| Kenneth E. Chambers |
| | | | |
| | Address: | K. E. Chambe E. Chambers 2811 W. Ave. | ers a/k/a Kenneth D |

Lovington, NM 88260-5351

STATE OF <u>New Maxino</u> COUNTY OF <u>hea</u>

en andreas anna a stàiteach

The foregoing instrument was acknowledged before me on <u>27th</u> day of <u>september</u>, 2010, by <u>Konneth</u> Chambers

Mar Aaloncia Notary Public

My Commission expires: [une 9, 2013]

The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of royalty interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this <u>2876</u> day of <u>SepT</u>, , 2010.

WITNESS:

y: Dennis Edward Chambers

Address: Dennis Edward Chambers 1011 Sandy Bend Road Castle Rock, WA 98611

STATE OF WASHINGFOR

Sec. Sug

WITNESS my hand and official seal.

Anuel Ryelsa Notary Public

My Commission expires: ______ / o - 7 - 2011



The undersigned royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of royalty interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this 20^{th} day of | Septem | ber | _, 2010. |
|--------------------------------|---------------|---|----------|
| WITNESS: | 2 | | |
| Ayou dage | By: Title: | <u>Iulodee Nelov</u> Melodee Nelson | n |
| | | | |
| | Address: | Melodee Nelson 22307 SE 255 th Maple Valley, W | |

STATE OF Wa. _____ COUNTY OF King The foregoing instrument was acknowledged before me on <u>20</u>th day of <u>September</u>, 2010, by <u>Meladee</u> Nelson WITNESS where and and official seal. Schneider Iry Public Notary STATE OF My Commission expires: <u>10-9-10</u>

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The undersigned working interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of working interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

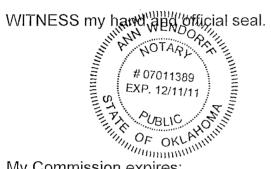
The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this 17th day of September, 2010. Chesapeake Exploration, L.L.C. WITNESS: Bv: Henry J. Hood Senior Vice-President Land Title: and Legal & General Counsel Address: Chesapeake Exploration, L.L.C. P.O. Box 18496 Oklahoma City, OK 73154-0496

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

The foregoing instrument was acknowledged before me on the 15th day of September , 2010, by Henry J. Hood, Sr. Vice President - Land & Legal and General Counsel, Chesapeake Exploration, L.L.C., an Oklahoma limited liability company.



SS.

endo Notary P

My Commission expires:

12/11/11

The undersigned overriding royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

The undersigned (whether one or more) hereby acknowledge receipt of a copy of New Mexico Oil Conservation Division Order No. R-13303, dated September 9, 2010 which approved the Chambers Strawn Unit pursuant to the New Mexico Statutory Unitization Act, as set forth in Sections 70-7-1 through 70-7-21 NMSA (1978), which order is hereinafter referred to as the "Approval Order."

The undersigned also represents that it is the owner of overriding royalty interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

| EXECUTED this <u> </u> | of <u>Septem</u> | ber | , 2010. |
|------------------------|------------------|--------------------------|----------------------|
| WITNESS: | | Hal W. Haw | vthorne |
| BITTA | dz | ew Ha | whore |
| | By: h Title: | Treividua | whorne 1 |
| | | | |
| | | | |
| | Address: | Hal W. Haw % Jones Er | |
| | | 807 Las Cir | mas Parkway, Ste 350 |
| | | Austin, TX | 78746 |

| STATE OF | TEXAC |
|----------|-------|
| UIAILUI | |

COUNTY OF TRAVIS

The foregoing instrument was acknowledged before me on <u>29th</u> day of <u>Deptember</u>, 2010, by <u>HACKI Hawthorne, an individual, personally known to me.</u>



Hebriah Robert Notary Public

Not. 17.2012 My Commission expires: __

The undersigned overriding royalty interest owner (whether one or more) hereby acknowledge receipt of a copy of that certain agreement dated April 1, 2010, as amended, entitled the Unit Agreement, Chambers Strawn Unit, Lea County, New Mexico covering the lands and interests described therein in Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, which agreement is hereinafter referred to as the "Unit Agreement."

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The undersigned also represents that it is the owner of overriding royalty interest, in the lands or minerals embraced in said agreement and do hereby consent and ratify all of the terms and provisions of the Unit Agreement, exactly the same as if the undersigned had executed the original of the Unit Agreement or a counterpart thereof.

The undersigned agrees that this consent and ratification shall be binding on the undersigned, their successors and assigns and shall constitute ratification and joinder in compliance with Statutory Unitization Act and the Approval Order.

EXECUTED this $20^{\frac{11}{12}}$ day of)epter n Rel 2010. WITNESS: MML Ventures. Ltd. B. Griffin, Jr. BV: Carlos Title: Authorited Agenst

Address: MML Ventures, Ltd. P.O. Box 1157 Kilgore, TX 75663-1157 STATE OF TEXAS

COUNTY OF <u>GREGG</u>

The foregoing instrument was acknowledged before me on <u>2014</u> day of <u>September</u>, 2010, by <u>Carlos B. Griffin, Ir, in his</u> <u>Capacity as the Authonized Agent of Sym-JAC, LLC,</u> the General Vartner of MML Ventures, Ltd.

WITNESS my hand and official seal.

Sur lung-

Notary Public

My Commission expires: 10/12/12

