

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

APPLICATION OF CHESAPEAKE OIL COMPANY
FOR POOL CREATION AND SPECIAL RULES
INCLUDING A DISCOVERY OIL ALLOWABLE,
LEA COUNTY, NEW MEXICO.

CASE NO. 11750

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Chesapeake Oil Company, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

ATTORNEY

Chesapeake Oil Company
P. O. Box 18496
Oklahoma City, OK 73154
(405) 848-8000
attn: Lynda Townsend

W. Thomas Kellahin
KELLAHIN & KELLAHIN
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STATEMENT OF THE CASE

Chesapeake drilled its Chambers Well No. 1, located 1700 feet from the North line and 900 feet from the East line (Unit H) of Section 7, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico.

This well constituted a "new oil discovery" for the production of oil from the Strawn formation. Order R-10848 created the Northeast Show Bar-Strawn Pool and established special pool rules for this well.

Chesapeake will present evidence in support of making these pool rules permanent.

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PROPOSED EVIDENCE

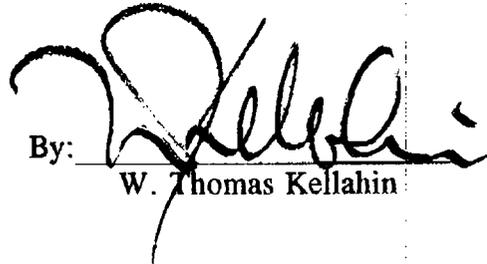
APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Robert Hefner (geologist)	20 Min.	@ 4 exhibits
Randy petroleum engineer	20 min.	@ 6 exhibits

PROCEDURAL MATTERS

None

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin