

**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:

CASE NO. 11844

IN THE MATTER OF THE APPLICATION OF  
CHESAPEAKE OPERATING, INC.  
FOR AN UNORTHODOX OIL WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A., as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Chesapeake Operating, Inc.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

name, address, phone and  
contact person

**ATTORNEY**

Jim Bruce, Esq.  
Attorney-at-Law  
Post Office Box 1056  
Santa Fe, New Mexico 87504-1056  
(505) 982-2043

**OPPOSITION OR OTHER PARTY**

Marathon Oil Company  
c/o Kent Bickham  
Post Office Box 552  
Midland, TX 79702  
(915) 682-1616

name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

**STATEMENT OF CASE**

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Marathon Oil Company, will appear and present testimony in support of a production penalty on the Gandy Well because of its unorthodox location based on the advantage Chesapeake gains on Marathon operated properties.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES  
(Name and expertise)

EST. TIME

EXHIBITS

OPPOSITION

WITNESSES  
(Name and expertise)

EST. TIME

EXHIBITS

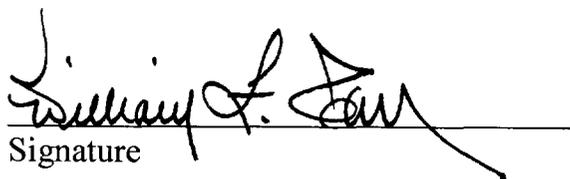
David Rawlins, Geology

15 Min.

Approximately 3

**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

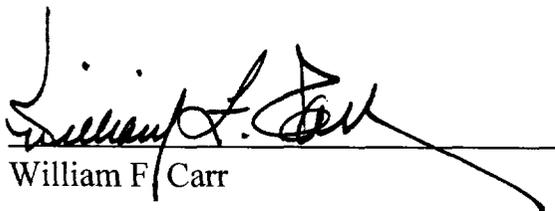
  
Signature

**Pre-hearing Statement**  
**NMOCD Case No. 11844**  
**Page 4**

**CERTIFICATE OF SERVICE**

I hereby certify that I have caused a true and correct copy of the foregoing Pre-Hearing Statement to be mailed on this 29<sup>th</sup> day of August, 1997 to the following counsel of record:

Jim Bruce, Esq.  
Attorney-at-Law  
Post Office Box 1056  
Santa Fe, New Mexico 87504-1056

  
William F Carr