



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 5, 2002

Chesapeake Operating, Inc.
c/o Mr. W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504-2265

Re: Extension of Authority to Inject
Division Order No. R-11375
West Teas (Yates-Seven Rivers) Unit
Lea County, New Mexico

Dear Mr. Kellahin:

Reference is made to your letter dated April 1, 2002, whereby you requested an additional one year period in which to implement waterflood operations within six injection wells, as shown on Exhibit "A" attached hereto, within the West Teas (Yates-Seven Rivers) Unit Waterflood Project. Pursuant to the August 28, 2001 extension letter, the authority to inject into these wells will expire on May 18, 2002, if the operator has not commenced injection operations.

For the reasons outlined in your letter, Chesapeake Operating, Inc. is hereby granted an additional one year period in which to implement waterflood operations within the West Teas (Yates-Seven Rivers) Unit Waterflood Project. The injection authority for the six wells shown on Exhibit "A" shall terminate on May 18, 2003, if the operator has not yet commenced injection operations.

Please note that no additional extensions to this order will be granted.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery".

Lori Wrotenbery
Director

Xc: Case File-12272/12331/12332
OCD-Hobbs

EXHIBIT "A"
DIVISION ORDER NO. R-11375
West Teas (Yates - Seven Rivers) Unit Waterflood Project
Township 20 South, Range 33 East, NMPM, Lea County, New Mexico
Approved Injection Wells

Well Name Well Number (API Number)	Footage Location	Unit	Section	Injection Perforations (Feet)	Packer Depth (Feet)	Tubing Size (Inch)	Maximum Injection Pressure (psia)
Anasazi "4" State Well No. 3 (API No. 30-025-32032)	1650' FSL & 1980' FEL	J	4	3230 - 3426	3130	2 - 7/8	646
Scharbauer "4" Well No. 3 (API No. 30-025-32102)	660' FS & EL	P	4	3104 - 3312	3000	2 - 3/8	621
Federal "9" Well No. 3 (API No. 30-025-31896)	330' FNL & 2310' FWL	C	9	3147 - 3409	3050	2 - 3/8	630
Barber Federal Well No. 2 (API No. 30-025-29971)	1980' FNL & 660' FWL	E	9	3138 - 3374	3030	2 - 3/8	628
Federal "9" Well No. 6 (API No. 30-025-32517)	1650' FNL & 990' FEL	H	9	3060 - 3260	2950	2 - 3/8	612
State "BF" Well No. 4 (API No. 30-025-33144)	330' FN & EL	A	16	3150 - 3361	3050	2 - 7/8	630