WILLIAM A. CHALFANT, CPL DONNIE MICHAEL, RLP

Ofc: (915) 684-9819 Fax: (915) 682-2301



April 2, 2001

Deborah Holt Kreuz Str 42 6791 Queidershach Germany

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13 Well, S/2 of Section 13, T-15-S, R-35-E, Lea County, NM

Dear Ms. Holt:

Chesapeake operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. You are the record title owner of a working interest of 0.1339% in the proposed 160-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 0.1339% and a proportionate dryhoie cost of \$1,891.07.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

If you have any questions, please call the undersigned at the number listed or, alternatively, Ms. Lynda Townsend of Chesapeake Operating, Inc. at 405-879-9414.

> Sincerely, onnie Michael

Donnie Michael

DM/ija **Enclosures**

> BEFORE THE OIL CONSERVATION DIVISION Case No.12669 Exhibit No._ Submitted By: Chesapeake Inc.

Hearing Date: May 31, 2001

DONNIE MICHAEL, RLP



April 2, 2001

Claude Vaughan, Jr. Sole Heir of Winnie Vaughan 700 Topeka Dr. Waco, TX 76710

Via Certified Mail

RE:

Chesar cake's proposed Alice I-13 Well, S/2 of Section 13, T-15-S, R-35-E, Lea County, NM

Dear Mr. Vaughan:

Chesapease operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E. Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.60 and completed well costs of \$1,925,000.60. You are the record title owner of a working interest of 0.8929% in the proposed 150-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 0.8929% and a proportionate dryhole cost of \$12,607 14.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

If you have any questions, please call the undersigned at the number tisted or, alternatively, Ms. I yada Townsend of Chesapeake Operating, Inc. at 405-879-9414.

Sincerely,

	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
	 Complete liams 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 iront if space permits. 	A. Received by Please Print Clearly B. Octa of Delivery C. Signature	
DM/jja Enclosures		X D Addresses	
	1. Article Addressed to:	D. Is delivery address different from from 17 \(\subseteq \) Yes if YSS, enter delivery address below: \(\subseteq \) No	
	Claude Vaughan, Jr. Sole Heir of Winnie Vaughan 700 Topeka Dr. Waco, TX 76710		
		2. Service Type B'Contribed Mail	
	•	4. Restricted Deliver/7 (Extra Fee) 1 Yes	
	2. Article Number (Copy from survice laise) 7.000.05.20.0024.43.3	8898	
		as in Renain) - cossessimilates	

Ofc: (915) 684-9819

Fax: (915) 682-2601

WILLIAM A. CHALFANT, CPL DONNIE MICHAEL, RLP



William H. Unaitant

April 2, 2001

Paul Heard, or unknow heirs of Jennie Heard, or unknow heirs of 7914 Maxwell Ave. Dallas, TX 75217

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13 Well, S/2 of Section 13, T-15-S, R-35-E, Lea County, NM

To Whom It May Concern:

Chesapeake operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. You are the record title owner of a working interest of 0.8930% in the proposed 160-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 0.8930% and a proportionate dryhole cost of \$12,608.55.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

DM/j Enck	SENDER: COMPLETE THIS SECTION	COMPLETE THIS S	SECTION ON DELIVERY
	 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 malipiece, or on the front if space permits. 		ase Print Clearly) B. Date of Delivery
		C. Signature	☐ Agent ☐ Addressee
	Article Addressed to:	11	ss different from item 1? ☐ Yes ivery address below: ☐ No
	Paul Heard, or unknow heirs of Jennie Heard, or unknow heirs of 7914 Maxwell Ave. Dallas, TX 75217		
		3. Service Type Certified Mail Registered Insured Mail	☐ Express Mail Pressure Receipt for Merchandise ☐ C.O.D.
		4. Restricted Delive	ry? (Extra Fee)
	2. Article Number (Copy from service label) 1000 0520 0024	4313 8881	
	PS Form 3811, July 1999 Do	mestic Return Receipt	102595-00-M-0852

Ofc: (915) 684-9819

Fax: (915) 682-2601

WILLIAM A. CHALFANT, CPL DONNIE MICHAEL, RLP



April 2, 2001

Madelyn Ingram Poteet Lee A. Poteet 6306 Rowan Lane Houston, TX 77074

Via Certified Mail

RE.

Chesapeake's proposed Alice 1-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

Dear Mrs. Poteet and Mr. Poteet:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. You are the record title owner of a working interest of 0.4464% in the proposed 160-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 0.4464% and a proportionate dryhole cost of \$6,303.58.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 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, 	A. Received by (Please Print Clearly) B. Date of Delivery C. Signature X
DM/jja	or on the front if space permits.	LJ Addressee
Enclosures	Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
	Madelyn Ingram Poteet Lee A. Poteet 6306 Rowan Lane Houston, TX 77074	
		3. Service Type Certified Mail
		4. Restricted Delivery? (Extra Fee)
	2. Article Number (Copy from service label) 7000 0520 0024 43	13 8874
	707 0011	Return Receipt 102593-00-N-0952

WILLIAM A. CHALFANT, CPL DONNIE MICHAEL, RLP



Ofc: (915) 684-9819 Fax. (915) 682-2601

April 2, 2001

Homer Andrews, or unknow heirs of Zula Lambert, or unknown heirs of 10805 Invierno Houston, TX 77029

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

To Whom It May Concern:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. You are the record title owner of a working interest of 0.4464% in the proposed 160-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 0.4464% and a proportionate dryhole cost of \$6,303.58.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
DM/jja Enclosures	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: Homer Andrews, or unknow heirs of Zula Lambert, or unknown heirs of 10805 Invierno Houston, TX 77029	A. Received by (Please Print Clearly) C. Signature X
		3. Service Type
		Certified Mail
	2. Article Number (Copy from service label) 7000 05 20 0024	43138829
	PS Form 3811, July 1999 Damestic F	Return Receipt . 102595-00-M-0952

DONNIE MICHAEL RLP

Ofc: (915) 684-9819 Fax: (915) 682-2601

502 NORTH BIG SPRING -- P.O. BOX 3123 MIDLAND, TEXAS 79702-3123

William H. Chalfant

April 2, 2001

Polly Massey Harold Massey PO Box 97 Wickett, TX 79788

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13 Well, S/2 of Section 13, T-15-S, R-35-E, Lea County, NM

Dear Mrs. Massey and Mr. Massey:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. You are the record title owner of a working interest of 5.0% in the proposed 160-acre unit. Chesapeake offers you the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 5.0% and a proportionate dryhole cost of \$70,600.00.

Should you elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

If you have any questions, please call the undersigned at the number listed or, alternatively, Ms. Lynda Townsend of Chesapeake Operating, Inc. at 405-879-9414.

DM/jja **Enclosures**

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 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. Article Addressed to: 	A. Received by (Please Print Clearly) B. Date of Delivery C. Signature X	
Polly Massey Harold Massey PO Box 97 Wickett, TX 79788	3. Service Type 3. Service Type Certified Mail	
	☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes	

PSF ʻ, July 1999

Domestic Return Receipt

102595-00-M-0952

WILLIAM A. CHALFANT, CPL DONNIE MICHAEL, RLP



William H. Chalfant

Ofc: (915) 684-9819 Fax: (915) 682-2601

April 2, 2001

Republic Royalty Company Attn: Terri Farmer 3738 Oaklawn Ave., Ste. 300 Dallas, TX 75219

Via Certified Mail

RE:

Chesapeake's proposed Alice I-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

Dear Ms. Farmer:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E. Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. Republic Royalty Company is the record title owner of a working interest of 4.6438% in the proposed 160-acre unit. Chesapeake offers Republic the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 4.6438% and a proportionate dryhole cost of \$65,569.75.

Should Republic elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

If you have any questions, please call the undersigned at the number listed or, alternatively, Ms. Lynda Townsend

of Chesape DM/jja Enclosures	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
	 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. Article Addressed to: Republic Royalty Company Attn: Terri Farmer 3738 Oaklawn Ave., Stě. 300 Dallas, TX 75219 	A. Received by (Please Print Clearly) B. Date of Delivery	
		C. Signature X	
		D. is delivery address different from item 17 Yes !f YES, enter delivery address below: No	
		The analysis	
		3. Service Type 2 Certified Mail Registered SAReturn Receipt for Merchandise Insured Mail C.O.D.	
		4. Restricted Delivery? (Extra Fee)	
	2. Article Number (Copy from service label) 7000 0520 0024	4313 8843	
	PS Form 3811, July 1999 Domestic Re	sturn Receipt 102595-00-M-0952	



April 2, 2001

Maecenas Minerals, LLP Attn: Ms. Linda Buckner PO Box 176 Abilene, TX 79604

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

Dear Ms. Buckner:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. Maecenas Minerals, LLP is the record title owner of a working interest of 1.1813% in the proposed 160-acre unit. Chesapeake offers Maecenas the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 1.1813% and a proportionate dryhole cost of \$16,679.25.

Should Maccenas elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 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. 	A. Received by (Please Print Clearly) B. Date of Delivery
		C. Signature X
DM/jja Enclosure	1. Article Addressed to:	D. Is delivery address different from item 1? C Yes If YES, enter delivery address below: No
	Maecenas Minerals, LLP Attn: Ms. Linda Buckner PO Box 176	
	Abilene, TX 79604	3. Service Type Certified Mail Registered Insured Mail C.O.D.
		4. Restricted Delivery? (Extra Fee)
	2. Article Number (Copy from service label) 7 000 05 20 0024	4313 8850
		eturn Receipt 102535-00-M-0952

DONNIE MICHAEL, RLP

Ofc: (915) 684-9819 Fax: (915) 682-2601



April 2, 2001

North Central Oil Corporation 6001 Savoy, Ste. 600 Houston, TX 77036

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

To Whom It May Concern:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

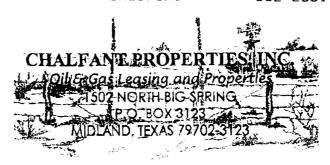
Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. North Central Oil Corporation is the record title owner of a working interest of 6.25% in the proposed 160-acre unit. Chesapeake offers North Central Oil Corporation the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 6.25% and a proportionate dryhole cost of \$88,250.00.

Should North Central Oil Corporation elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

If you have any questions, please call the undersigned at the number listed or, alternatively, Ms. Lynda Townsend

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.	A. Received by (Please Print Clearly) B. Date of Delivery
 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. 	C. Signature
	X Agent
Article Addressed to:	D. is delivery address different from item 1?
North Central Oil Corporation 6001 Savoy, Stc. 600	
Houston, TX 77036	
•	3. Service Type ACCertified Mall
•	4. Restricted Delivery? (Extra Fee)
Article Number (Copy from service lebel) 7000 05200024	4313 8836
	eturn Receipt 102595-00-14-0952

DONNIE MICHAEL, RLP



Fax: (915) 682-2601

April 2, 2001

Pogo Producing Company Attn: Terry Gant PO Box 10340 Midland, TX 79702

Via Certified Mail

RE:

Chesapeake's proposed Alice 1-13

Well, S/2 of Section 13, T-15-S, R-35-E,

Lea County, NM

Dear Mr. Gant:

Chesapeake Operating, Inc. hereby proposes to drill the captioned well to a total depth of 13,000 feet to test the Morrow Formation. The well will be drilled at a location in the S/2 of Section 13, T-15-S, R-35-E, Lea County, New Mexico.

Attached is Chesapeake's AFE reflecting dry-hole costs of \$1,412,000.00 and completed well costs of \$1,925,000.00. North Central Oil Corporation is the record title owner of a working interest of 6.25% in the proposed 160-acre unit. Chesapeake offers North Central Oil Corporation the opportunity to participate in the drilling of the Alice 1-13 well with a working interest of 6.25% and a proportionate dryhole cost of \$88,250.00.

Should North Central Oil Corporation elect to participate, please have the appropriate party(ies) sign the attached AFE and return it to me at your earliest convenience. Upon receipt, a Joint Operating Agreement will be forwarded for signature.

DM/jja Enclosure	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 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. 	A. Received by (Please Print Clearly) B. Date of Delivery
		C. Signature X
	1. Article Addressed to:	D. Is delivery address different from item 1?
	Pogo Producing Company Attn: Terry Gant PO Box 10340	
	Midland, TX 79702	3. Service Type Since Type Discretified Mail Discretified M
		4. Restricted Delivery? (Extra Fee)
	2. Article Number (Copy from service label) 7 000 0520 0024	1 4313 8812
	PS Form 3811, July 1999 Domestic Re	etum Receipt 102585-00-M-0952