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August 22, 2001

VIA FACSIMILE

Ms. Lori Wrotenbery, Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: REQUEST FOR CONTINUANCE*NMOCD Case No. 12710**Arrington's Royal Simulator Well No. 1 (31-15S-36E)**Application of Chesapeake Operating Inc.**to determine that its interest is not subject to**Division Order R-11580, Lea County, New Mexico.*

Dear Ms. Wrotenbery:

I represent the applicant, Chesapeake Operating, Inc. and Mr. William F. Carr represents Arrington Oil & Gas Inc. the referenced matter.

Mr. Carr and I have discussed this case and are still hopeful of settling this dispute. I have received Mr. Carr's concurrence to request that you continuing this case to the October 4, 2001 docket at which time we will present it if it has not been settled.

Very truly yours,



W. Thomas Kellahin

cfx: Chesapeake Operating Inc.
Attn: Lynda Townsend
William F. Carr, Esq.
Attorney for David H. Arrington Oil & Gas Inc.