

**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. 14340
ORDER NO. R-11993-B**

**APPLICATION OF CHESAPEAKE ENERGY CORPORATION, LLC TO RE-
INSTATE DIVISION ORDER NO. R-11993-A FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 23, 2009, at Santa Fe, New Mexico, before Examiner Terry Warnell.

NOW, on this 27th day of August, 2009, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) Chesapeake Energy Corporation, LLC ("Chesapeake" or "Applicant") seeks to re-instate Order No R-11993-A, which granted Applicant's request to pool all uncommitted interests from the surface to the base of the Abo formation in the NE/4 NE/4 of Section 19, Township 20 South, Range 39 East, NMPM, in Lea County, New Mexico, and formed a standard 40-acre oil spacing and proration "Unit" for all formations or pools spaced on 40 acres within this vertical extent, presently including but not necessarily limited to, the DK-Abo Pool (15200), the Undesignated DK-Drinkard Pool (15390), and the Undesignated East Warren-Tubb Pool (Oil 63280).

(3) The Unit was dedicated to the applicant's Duncan Well No. 1 API No. 30-025-36235, which is located at a standard location in the NE/4 NE/4 (Unit A) of Section 19, Township 20 South, Range 39 East.

(4) Applicant appeared at the hearing through counsel and presented testimony by affidavit as follows:

- (a) Order No. R-11993-A expired by its own terms because Chesapeake, through a clerical error, failed to obtain a timely extension from the Division Director as therein provided.
- (b) Applicant still wants to recomplete the Duncan Well No. 1 API No. 30-025-36235, and accordingly requests that Order No. 11993-A be re-instated.
- (5) No other party has filed any protest, or otherwise communicated to the Division any objection to re-instatement of the terms and conditions provided in Order No. R-11993-A.

IT IS THEREFORE ORDERED THAT:

(1) Order No. R-11993-A is hereby re-instated upon all of the same terms and conditions set forth in said Order, except that the time for commencing the recompletion of the proposed well as set forth in Ordering Paragraph three (3) of Order No. R-11993-A is hereby extended to August 31, 2010.

(2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Director