

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary

December 23, 2003

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Daniel C. Sparks Risk Manager Chesapeake Energy Corporation P.O. Box 18496 Oklahoma City, OK 73154-0496

Re: \$7,500 One-Well Plugging Bond

Chesapeake Operating, Inc., Principal

RLI Insurance Company, Surety

Pardue Farms No. 2

1950' FNL and 660' FEL of Section 10,

Township 23 South, Range 28 East,

Eddy County, NM Bond No. RLB0006675 30-015-26460

Dear Mr. Sparks:

The New Mexico Oil Conservation Division hereby approves the above-captioned one-well plugging bond.

Sincerely,

GAIL MACQUESTEN

Assistant General Counsel

GM/dp

cc: Oil Conservation Division - Artesia, NM

RLI Insurance Company 8 Greenway Plaza, Suite 400 Houston, TX 77046