New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jon Goldstein Cabinet Secretary Jim Noel Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



March 3, 2010

Chesapeake Operating Inc ATT: Brain Arrant P O Box 18496 Oklahoma City, OK 73154-0496

RE: CANCELLATION OF INTENT TO DRILL

Mescalero Point 16 State Com #1-N, 16-11s-31e, 840/S & 1980/W; API #30--05-27965

Marley 21 #1-B, 21-11s-31e, 660/N & 1310/E, API #30-005-27966

Gentlemen:

Twelve months or more have elapsed since Division Form C-101, Notice of Intention to drill, for the subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

Larry Hill

District I Supervisor

CC: OCD Santa Fe

OCD Hobbs

BLM

State Land Office