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W. THOMAS KELLAHIN*

NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

June 23, 2000

FEDERAL EXPRESS

Mr. Chris Williams, Supervisor Oil Conservation Division 1625 N. French Drive Hobbs, New Mexico 88240

Re: Warehouse "10" Well No. 2 Administrative Application of Chesapeake Operating, Inc., for a Directional Wellbore S/2NE/4 Section 10, T16S, R36E Lea County, New Mexico

Dear Mr. Williams:

On behalf of Chesapeake Operating, Inc. and in accordance with Division Rule 111, please find enclosed the enclosed original of this application for approval to drill this well directionally to an unorthodox subsurface drilling and producing window.

Concurrently with this application, we have filed a separate application with OCD-Santa Fe requesting approval of the unorthodox subsurface location.

Please call me if you have any questions.

ery truly yours W. Thomas Kellahin

cc: Mr. Michael E. Stogner (OCD-Santa Fe)

cc: Chesapeake Operating, Inc. Attn: Lynda Townsend

NSL-4500 < BHS