CHESAPEAKE OPERATING, INC.

LAND DEPARTMENT

P.O. BOX 18496 OKLAHOMA CITY, OKLAHOMA 73154-0496 405/848-8000, EXT. 414 405/879-9562 FAX LYNDA F. TOWNSEND, CPL/ESA LANDMAN

November 3, 1999

VIA FACSIMILE (915) 686-7911

Mr. Donnie Michael Upland Corporation P. O. Box 582 Midland, TX 79702

Re:

Notice and Request for Waiver Application for Unorthodox Location

Oxy 1R-15 Well

N/2 SW/4 Section 15-17S-37E Lea County, New Mexico

Dear Mr. Michael:

Chesapeake Operating, Inc. has made application to the New Mexico Oil Conservation Division for an unorthodox location for the captioned well. The bottom-hole location which is 2178' FSL and 935' FWL is unorthodox to the unit's north lease line. The Oxy 1R-15 well is a Strawn test and as such is governed by the Humble City Strawn Pool rules which state that a well must be within 150' of the center of a governmental quarter quarter section or lot. As a leasehold owner in the NW/4 of Section 15-17S-37E, you are hereby given notice of said application.

In addition, please consider this letter as a formal request for Upland's waiver of protest to Chesapeake's application. Please sign in the space so provided indicating Upland's waiver of protest and return by facsimile to (405) 879-9535.

Very truly yours,

Lýnďa F. Townsend

Upland Corporation hereby agrees to Waiver of Protest this 3rd day of November 1999.

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BA:

nie Michael, President

ELF CONFIDENTIAL LOGS
CONFIDENTIAL LOGS
WILL RE RELEASED