BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION FOR AN ORDER POOLING ALL INTERESTS IN THE NIOBRARA FORMATION IN A 640-ACRE DRILLING AND SPACING UNIT IN WELD COUNTY, COLORADO

APPLICATION

COMES NOW Chesapeake Exploration, LLC ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests for the development of the Niobrara Formation on the following described lands:

Township 9 North, Range 66 West, 6th P.M. Section 14: All

Weld County, Colorado

(hereinafter "Application Lands")

In support of its application, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
- 2. Applicant owns leasehold interests in a substantial portion of the Application Lands.
- 3. On August 12, 2010, the Commission entered Order No. 535-2 which among other things, established 640-acre drilling and spacing units for certain lands, including the Application Lands, and authorized one horizontal well in each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 4. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests in the Application Lands for the development of the Niobrara Formation, including any nonconsenting interests therein.
- 5. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the McFarlin 14-9-66 1H well to the Niobrara Formation on the Application Lands.

- 6. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not otherwise leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the well, and will be provided with the information required by Rule 530. The list of such interested parties is attached hereto as Exhibit A.
- 7. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

- A. Pooling all interests in the Application Lands for the development of the Niobrara Formation, including any future wells drilled to said formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the McFarlin 14-9-66 1H well to the Niobrara Formation on the Application Lands.
- C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October, 2011, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: August, 2011	
-	By:
	William A. Keefe
	Kenneth A. Wonstolen
	Beatty & Wozniak, P.C.
	216 Sixteenth Street-Suite 1100
	Denver CO 80202-5115

Address of Applicant 6100 N. Western Avenue Oklahoma City, OK 73118

VERIFICATION

STATE OF OKLAHOMA)) ss.)
COUNTY OF OKLAHOMA	
Nick Watkins of lawful age, being first of says that he is District Landman for Chesapeake Exthe foregoing Application and that the matters there his knowledge, information and belief.	ploration, LLC and that he has reac
By: Nick W	/atkins
Subscribed and sworn to before me this da	y of August, 2011.
Witness my hand and official seal.	
My commission expires:	
Nota	ry Public

EXHIBIT A

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, OK 73154-0496

Rubicon Oil and Gas II, LP 508 West Wall Avenue, Suite 500 Midland, TX 79701

OOGC America, Inc. c/o CNOOC International Limited P.O. Box 4705 No. 25 Chaoyangmenbei Dajie Dongcheng District Beijing, 100010 P.R. China

Gladys A. Russell 12130 North County Road 9 Wellington, co 80548

Mary Kroon f/k/a Harriet Mary Jean Satterthwait 4065 East University Drive #583 Mesa, AZ 85205

Margaret Bohn Rymer The Hills, Apt. K-3, 2300 Chalet Trail Kerrville, TX 78028

Hazel Bohn 146 Dartmouth Rd., #1 San Mateo, CA 94402

Charles Robert Bohn and Irene J. Bohn 5601 18th St. #28 Greeley, CO 80634

Edward B. Wasson 1600 Broadway, Suite 1705 Denver, CO 80202

Robert E. Zimmerman P.O. Box 570174 Houston, TX 77257 Spur Energy P.O. Box 8461 Portland, OR 97207

Dakota-Tex Oil Company 4545 S. Monaco St., No. 144 Denver, CO 80012

Charles McFarlin 902 Lucca Drive Greeley, CO 80634

Doyle J. Russell Route 1 Box 224 Wellington, CO

Meredith K. Shertzer 51320 WCR 33 Nunn, CO 80648

Mark Eric Hotaling and Stephanie Florence Hotaling 51458 WCR 33 Nunn, CO 80648

Virginia E. Abbott 129 North Iowa Casper, WY 82609

Dana M.K. Greenberg and Chad Greenberg 3131 South Vaughn Way #200 Aurora, CO 80014

Donald R. Satterthwait and Ernestine P. Satterthwait 10555 Keats Avenue Clovis, CA 93619

Deanna R. Cowan 3131 South Vaughn Way #200 Aurora, CO 80014 Evelyn F. Ray and Donald O. Ray 10415 West Kingswood Circle Sun City, AZ 85351

Zelda L. Dunn and James W. Dunn 3560 West 20th St Greeley, CO 80634

Marvin Satterthwait 900 29th St. SE, Sp. D-8 Auburn, WA 98002

Weld County, Colorado, a political subdivision of the State of Colorado, acting by and through the Board of County Commissioners of the County of Weld 915 10th St. P.O. Box 758 Greeley, CO 80632

Michael D. Hayes 3608 Meadowridge Lane Midland, TX 79707 Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust 3608 Meadowridge Lane Midland, TX 79707

Skyline Resources, LLC 7931 S. Broadway #301 Littleton, CO 70122

Quientesa Royalty, LP 508 W. Wall Street, Ste 500 Midland, TX 79701

DJ Resources, LP One Riverway, Suite 1870 Houston, TX 77056

Prospect Energy, LLC 5629 FM 1960 Rd W, Suite 354 Houston, TX 77069

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IN THE MATTER OF THE APPLICATION FOR AN ORDER POOLING ALL INTERESTS IN THE NIOBRARA FORMATION IN A 640-ACRE DRILLING AND SPACING UNIT IN WELD COUNTY, COLORADO			
ONIT IN WELD COONTT, COLORADO			
AFFIDAVIT OF MAILING			
STATE OF COLORADO)			
)ss. CITY AND COUNTY OF DENVER)			
Kenneth A Wonstolen, of lawful age, and being first duly sworn upo declares:	n his oath, states and		
That he is the attorney for Chesapeake Exploration, LLC, and that on or before September, 2011 he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.			
Kenneth A. Wonstolen			
Subscribed and sworn to before me August, 2011.			
Witness my hand and official seal.			
My commission expires:			
Notary Public			