

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

IN THE MATTER OF THE APPLICATION OF
CHESAPEAKE EXPLORATION, LLC FOR AN
ORDER POOLING ALL NON-CONSENTING
INTERESTS IN THE NIOBRARA FORMATION
IN AN ESTABLISHED DRILLING AND
SPACING UNIT LOCATED IN WELD COUNTY,
COLORADO

CAUSE NO:

DOCKET NO:

APPLICATION

COMES NOW, Chesapeake Exploration, LLC (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("COGCC"), for an order to pool all non-consenting interests for the drilling of a horizontal Niobrara well in Section 4, Township 6 North, Range 62, West, 6th P.M., Weld County, Colorado (hereinafter "Application Lands"). In support of its application, Applicant states and avers as follows:

1. That the Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That the Applicant owns certain leasehold interests in the Application Lands.
3. That the Application Lands have been proposed as an approximate 640-acre drilling and spacing unit for the Niobrara Formation pursuant to a concurrently filed companion application seeking a 640-acre drilling and spacing unit for the drilling of a horizontal well. Assuming such unit is established by the COGCC, Applicant has plans to drill upon such drilling and spacing unit the Hoff 6-62 4-1H Well (hereinafter the "Well"), a horizontal well designed to test and produce oil and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.
4. At least 30 days prior to hearing on this application, Applicant will have sent to affected owners an appropriate AFE (containing the information required under the Commission's Rule 530.a) detailing the estimated costs of drilling of the Well. Applicant anticipates, however, the possibility that one or more of such owners may refuse to participate in the drilling, testing and completion of the well or otherwise did not respond to Applicant's offer to participate.
5. Moreover, that with respect to any owners of unleased mineral interests in the Application Lands, Applicant also will have made reasonable attempts pursuant to COGCC Rule 530.b. to enter into leases with such Owners but, again, anticipates the possibility it may be unsuccessful in such attempts.
6. In order to prevent waste, protect correlative rights and in the best interests of conservation, all interests of parties entitled to participate in the production from the Well (such parties and their addresses being listed in Exhibit "A") should be pooled as to production from the Niobrara Formation in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

7. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit A hereto.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission enter its order pooling all the interests of all parties with rights to participate in production from the Well sand in particular all working interest owners in the Niobrara Formation who have refused to execute Applicant's AFE and otherwise join in the drilling of the Well and all unleased mineral interest owners who have refused to execute a lease covering their mineral interests in the Application Lands, or, alternatively have refused to participate in the costs of drilling the described well and future wells be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to the terms and penalties provided for therein and for such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this _____ day of April, 2011.

Respectfully submitted:

Chesapeake Exploration, LLC

By:

William A. Keefe
Kenneth A. Wonstolen
Beatty & Wozniak, P.C.
216 Sixteenth St. –Suite 1100
Denver, Colorado 80202
Telephone No.: (303) 407-4475

Applicant's Address:

Chesapeake Exploration, LLC
ATTN: Nick Watkins
P. O. Box 18496
Oklahoma City, OK 73154

VERIFICATION

STATE OF OKLAHOMA)
) ss.
COUNT OF OKLAHOMA)

Nick Watkins of lawful age, being first duly sworn upon oath, deposes and says that he is District Landman for Chesapeake Exploration, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

By: _____
Nick Watkins

Subscribed and sworn to before me this _____ day of April, 2011.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

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

Fred O. and Molly O. Will Trust
c/o Larry P. Will
312 Clovers Lane
Ft. Collins, CO 80521

Vera M. Hoff
21506 CR 54
Greeley, CO 80631

Shirley L. Degenhart
21255 U.S. Hwy. 34
Ft. Morgan, CO 80701

Margaret Rogers
6738 Linda Vista Blvd.
Missoula, MT 59803

Dean Hagemeister
34250 WC Rd. 61
Gill, CO 80624

B/S Production Company
P.O. Box 101299
Denver, CO 80250

Scott C. Moses LLC
P.O. Box 280186
Lakewood, CO 80228

Robert Clark, Trustee
Hefner 2007 Family Trust
10256 Mica Way
Parker, CO 80134

Blue & Gray Resources, Inc.
P.O. Box 3768
Parker, CO 80134

Capital Land Services, Inc.
P.O. Box 2810
Edmond, OK 73083

Weld County Garage
2699 47th Avenue
P.O. Box 1986
Greeley, CO 80631

EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202

Steven Anderson
4080 Boxelder Drive
Loveland, CO 80538

Scott Anderson
801 Ptarmigan Run
Loveland, CO 80528

BLM Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215

Noble Energy, Inc.
1625 Broadway, Suite 2200
Denver, CO 80202

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c/o CNOOC International Limited
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