

BEFORE THE OIL & 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 9, 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 Applicant has pending an application before the Colorado Oil and Gas Conservation Commission requesting that the Application Lands be established as an approximate 640 acre drilling and spacing unit constituting the Application Lands for the Niobrara Formation. This application is being filed in anticipation that such drilling and spacing unit will be ordered by the Commission. Assuming such order is granted, Applicant has plans to drill upon such drilling and spacing unit the Degenhart 6-62-9-1H 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 Antero'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 and 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 March, 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 March, 2011.

Witness my hand and official seal.

My commission expires: _____

Notary Public

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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:

AFFIDAVIT OF MAILING

STATE OF COLORADO)
)
CITY AND COUNTY OF DENVER) ss.

William A. Keefe, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Chesapeake Exploration, LLC, that on or before March 18, 2011, he caused a copy of the attached Application in the subject docket to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

By: _____
William A. Keefe

Subscribed and sworn to before me this ____ day of March, 2011.

Witness my hand and official seal.

My commission expires:

Notary Public

EXHIBIT A

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

Vera M. Hoff
Heir of Carl G. Will & Mary E. Will
21506 CR 54
Greeley, CO 80631-9058

Shirley L. Degenhart
Heir of Carl G. Will & Mary E. Will
21255 US Hwy 34
Ft. Morgan, CO 80701-7240

Margaret Rogers
Heir of Carl G. Will and Mary E. Will
6738 Linda Vista Blvd.
Missoula, MT 59803

John C. Todd
2313 17th Street
Greeley, CO 80631

Albert & Virginia Ghidinelli Family Trust
890 Pleasant Point Road
Ferndale, CA 95536

Conrad H. and Lonnita D. Will
3556 School St.
Fortuna, CA 95540

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

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

LoneTree Energy & Associates, LLC
141 Union Boulevard, Suite 260
Lakewood, CO 80134