

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:

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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 30, Township 10 North, Range 66 West, 6<sup>th</sup> 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 that Application Lands have been established as an approximate 640 acre drilling and spacing unit for the Niobrara Formation under the Commission's Order No. 535-2 dated August 12, 2010. Applicant currently has plans to drill upon such drilling and spacing unit the Rouse Farms 10-66 30-1H 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:

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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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## AFFIDAVIT OF MAILING

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

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 \_\_, 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

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

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

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

Colorado State Board of Land  
Commissioners  
1127 Sherman Street, Suite 300  
Denver, CO 80203

Diamond J.R. Farms  
15627 WCR 108  
Nunn, CO 80648

George G. Vaught, Jr.  
P.O. Box 13557  
Denver, CO 80120

Eugene F. Costello  
6474 Wright Street  
Arvada, CO 80004

Paul McCulliss  
P.O. Box 3248  
Littleton, CO 80161

Tom Chapman and Melinda Prine, JT  
(Debra Knudson, Personal Representative  
of the estate  
of Mary L. Hutchinson, Lessor)  
10910 Turner Boulevard #36  
Longmont, CO 80504

Eric W. Hart  
613 South Second  
Fairfield, IA 52556

Daniel A. Hart  
3203 Sedgeborough Circle  
Katy, TX 77449

Timothy L. Hart  
301 Finn Church Lane  
McCall, ID 83638

John I. Hart  
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Lake Charles, LA 70605

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