

**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

CAUSE NO.

DOCKET NO.

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 8 North, Range 66 West, 6th P.M.
Section 2: 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 Reeves 2-8-66 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 Reeves 2-8-66 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 January, 2012, 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: November ____, 2011

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

Address of Applicant
Chesapeake Exploration, LLC
ATTN: Nick Watkins
6100 N. Western Avenue
Oklahoma City, OK 73118

VERIFICATION

STATE OF OKLAHOMA

)

)

SS.

COUNTY 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 November, 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

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

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

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

LoneTree Energy and Assoc., LLC
3 West Dry Creek Circle
Littleton, CO 80120

Michael D. Hayes and Kathryn A. Hayes, Co-
Trustees
of the Hayes Revocable Trust u/t/a dated August
25, 2010
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

John A. and Carole J. Lemonds
3113 Westador Drive
Arlington, TX 76015

Dakota-Tex Oil Company
4545 S. Monaco St, No 144
Denver, CO 80237

Eldon Lee Foster

1001 W. 43rd Avenue, # 6
Greeley, CO 80634

Dorothy K. Foster
6405 W. 16th Street
Greeley, CO 80634

Alvin and Debbie Ann Shipps
17164 Weld County Road 100
Nunn, CO 80648

Greg R. and Patty Deplazes Reeves
1727 41st Street N.E.
Anamoose, ND 58710

E.E. Foster & Sons, Inc.
6405 W. 16th Street
Greeley, CO 80634

Jane Ann Brown
2955 Lake Shore Drive
Longmont, CO 80503

Donald D. and Sunny Brownell
5315 Jason Court S.E.
Lacey, WA 98513

Louise W. Floeckher
225 Everglades Avenue # 7
Palm Beach, FL 33480

Norman James Munn, Jr. and Jana Shramek
47474 WCR 33
Nunn, CO 80648

Steven L. and Candis K. Dill
15659 County Road 98
Nunn, CO 80648

Garold and Suzanne McWilliams
15659 County Road 98
Nunn, CO 80648

Roger D. and Helen L. McWilliams
846 East Yucatan Court
Grand Junction, CO 81506

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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 | CAUSE NO. DOCKET NO. |
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AFFIDAVIT OF MAILING

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

Kenneth A Wonstolen, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Chesapeake Exploration, LLC, and that on or before November __, 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 November ____, 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public