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FEB 26 2014

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

APPLICANTS: CHESAPEAKE OPERATING, INC. AND)
 CHESAPEAKE EXPLORATION, L.L.C.)
)
RELIEF SOUGHT: INCREASED WELL DENSITY)
)
LEGAL DESCRIPTION: SECTION 29)
 TOWNSHIP 28 NORTH)
 RANGE 14 WEST OF THE IM)
 WOODS COUNTY, OKLAHOMA)

Cause CD No.
201401411

APPLICATION

1. Parties:

1.1. Applicants herein are Chesapeake Operating, Inc. and Chesapeake Exploration, L.L.C., whose address for the purposes hereof is P.O. Box 54768, Oklahoma City, Oklahoma 73154-1768. The landman for Applicants is **Michael Lovelace**, P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, Telephone: (405) 935-4375.

1.2. Applicants are each the owner of the right to drill a well into and produce hydrocarbons from the Mississippi Lime common source of supply underlying the 640-acre drilling and spacing unit comprised of Section 29, Township 28 North, Range 14 West of the IM, Woods County, Oklahoma.

1.3. The name and last-known address of each person or governmental entity, other than Applicants, currently having the right or claiming to have the right to participate in production from the common source of supply involved herein in the 640-acre drilling and spacing unit formed therefor in said Section 29, are set forth in Exhibit "A" attached hereto and made a part hereof. Applicants are operators of a well or wells which have been commenced to or are currently producing from the common source of supply involved herein on the tracts of land or drilling and spacing units surrounding said Section 29 and the names and last-known addresses of the working interest owners, other than Applicants, in such offset well or wells are set forth in Exhibit "A." The name and last-known address of each operator, other than Applicants, of a well which has been commenced to or is currently producing from the common source of supply involved herein on the tracts of land or drilling and spacing units surrounding said Section 29 are set forth in Exhibit "A."

2. Allegations of Fact:

2.1. By Order No. 97274, dated April 30, 1973, the Commission formed a 640-acre drilling and spacing unit comprised of Section 29, Township 28 North, Range 14 West of the IM, Woods County, Oklahoma, for the Mississippi Lime common source of supply.

2.2. The Rough Legged Hawk 1-29 Well, located in the S/2 SE/4 SE/4 NE/4 of said Section 29, is currently completed in and producing from the Mississippi Lime common source of supply. The Bar K 29-28-14 1H Well, with a proposed surface location to be in the SE/4 SW/4 SW/4 SW/4 of said Section 29 and a proposed bottomhole location to be in the N/2 N/2 NW/4 NW/4

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NW/4 of said Section 29, is expected to be completed in and produce from the Mississippi Lime common source of supply.

2.3. Since the entry of Order No. 97274, additional or new data has been obtained in connection with the Mississippi Lime common source of supply sufficient to show a substantial change in conditions or change in knowledge of conditions existing in connection with such common source of supply underlying said Section 29 in that it now appears that the existing wells will not and cannot effectively and efficiently drain all of the primarily recoverable hydrocarbons in such common source of supply underlying such section. Therefore, two additional wells are necessary for the Mississippi Lime common source of supply underlying said Section 29 so as to produce hydrocarbons therefrom.

2.4. In order to protect correlative rights, obtain the greatest ultimate recovery of oil and gas and prevent the various types of waste, the Commission should authorize and permit two additional wells for the production of hydrocarbons from the Mississippi Lime common source of supply underlying said Section 29, and establish proper allowables for such wells and unit.

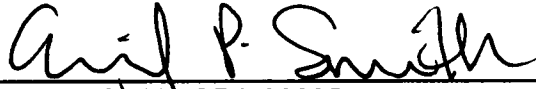
3. Legal Authority: The relief sought by this application is authorized by Tit. 52, Okla. Stat., Section 87.1.

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3.1. Relief Sought: Applicants request the Corporation Commission enter an order, to be effective as of the date of the execution thereof or as of a date prior thereto, amending applicable orders of the Commission, including Order No. 97274, to authorize and permit two additional wells for the production of hydrocarbons from the Mississippi Lime common source of supply underlying the unit comprised of Section 29, Township 28 North, Range 14 West of the IM, Woods County, Oklahoma, with such authorization and permission running in favor of one or both of the Applicants, including Chesapeake Exploration, L.L.C. acting by and through its agent, Chesapeake Operating, Inc., or some other party recommended by Applicants, and to establish proper allowables for such wells and unit.

DATED this 25th day of February 2014.

CHESAPEAKE OPERATING, INC. and
CHESAPEAKE EXPLORATION, L.L.C.



Emily P. Smith, OBA 20805

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Oklahoma City, OK 73154-0496

Physical address

6100 N. Western Avenue (73118)

(405) 935-8203

(405) 849-0002 (facsimile)

emily.smith@chk.com

ATTORNEY FOR APPLICANTS

**For more information regarding this Application, contact Michael Lovelace,
Chesapeake Operating, Inc., P.O. Box 18496, Oklahoma City, Oklahoma 73154-
0496, Telephone: (405) 935-4375.**

EXHIBIT "A"

- | | | | |
|-----|--|-----|---|
| 1. | Alva State Bank & Trust Company
P. O. Box 37
Alva, OK 73717 | 14. | Jason Kletke
1201 Locust Street
Alva, OK 73717 |
| 2. | Alva State Bank & Trust Company
518 College Avenue
Alva, OK 73717 | 15. | Jeff Kletke
40367 Johnston Road
Alva, OK 73717 |
| 3. | Arcadia Resources, LP
P. O. Box 18756
Oklahoma City, OK 73154 | 16. | Jeff Kletke
41180 Kay Road
Alva, OK 73717 |
| 4. | Atinum Midcon I, LLC
333 Clay Street, Suite 700
Houston, TX 77002 | 17. | Audrey Suzette Lyons
202541 E. County Road 35
Woodward, OK 73801 |
| 5. | Elsie M. Carson
Address Unknown | 18. | Max L. Morse
225 Wynona Drive
Lahoma, OK 73754 |
| 6. | Lori A. Daugherty Revocable Living Trust
c/o 1225 E. 25th Street
Tulsa, OK 74114 | 19. | Max L. Morse
P. O. Box 132
Lahoma, OK 73754 |
| 7. | John L. Fitzsimons
P. O. Box 580831
Tulsa, OK 74158 | 20. | Max L. Morse
c/o 301 Rosanne Street
Enid, OK 73703 |
| 8. | John L. Fitzsimons
705 S. 90th East Avenue
Tulsa, OK 74112 | 21. | Pelican Energy, LLC
P. O. Box 18756
Oklahoma City, OK 73154 |
| 9. | Jamie L. Huston and Therese Huston
2727 Falcon Crest Drive
Enid, OK 73703 | 22. | Petro Huston, LLC
P. O. Box 1186
Enid, OK 73702 |
| 10. | Jamie L. Huston and Therese Huston
2914 Barn Swallow Road
Enid, OK 73703 | 23. | Repsol E&P USA, Inc
2001 Timberloch Place, Suite 3000
The Woodlands, TX 77380 |
| 11. | Jackpot Investments, LLC
1426 S. Hayes Street
Enid, OK 73703 | 24. | SandRidge Energy, Inc
123 Robert S. Kerr Avenue
Oklahoma City, OK 73102 |
| 12. | Barbara J. Kletke
1703 Murray Drive
Alva, OK 73717 | 25. | SandRidge Exploration & Production, LLC
123 Robert S. Kerr Avenue
Oklahoma City, OK 73102 |
| 13. | Dale Kletke
11599 E. Wesley Avenue
Aurora, CO 80014 | 26. | Randall L. Sullivan Trust
c/o 15 W. 6th Street, Suite 2300
Tulsa, OK 74119 |

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27. Randall L. Sullivan Trust
c/o 110 W. 7th Street, Suite 2700
Tulsa, OK 74119
28. Tiptop Oil & Gas US, LLC
P. O. Box 2406
Oklahoma City, OK 73101
29. The Board of County Commissioners of
Woods County
P. O. Box 386
Alva, OK 73717
30. The Board of County Commissioners of
Woods County
407 Government Street
Alva, OK 73717
31. Avalon Oil & Gas, LLC
100 W. 5th Street, Ste. 612
Tulsa, OK 74103
32. MC Minerals Company, LLC
P. O. Box 18201
Oklahoma City, OK 73154