

3-24

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 35)
 TOWNSHIP 28 NORTH)
 RANGE 14 WEST OF THE IM)
 WOODS COUNTY, OKLAHOMA)

Cause CD No.
201401415

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 35, 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 35, 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 35 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 35 are set forth in Exhibit "A."

2. Allegations of Fact:

2.1. By Order No. 537416, dated March 30, 2007, the Commission formed a 640-acre drilling and spacing unit comprised of Section 35, Township 28 North, Range 14 West of the IM, Woods County, Oklahoma, for the Mississippi Lime common source of supply.

2.2. The Turkey Hawk 1A-35 Well, located in the S/2 N/2 SW/4 SW/4 of said Section 35, is currently completed in and producing from the Mississippi Lime common source of supply. The Barbara Jean 35-28-14 1H Well, with a proposed surface location to be in the NE/4 NE/4 NE/4 NE/4 of said Section 35 and a proposed bottomhole location to be in the S/2 S/2 SE/4 SE/4

OKLA CORP COM
 RECEIPT 1406250036
 Date: 02/26/2014 Time: 10:02
 Case: 201401415 CD
 Cashier: RRS
 FAYOR: CHESAPEAKE OPERATING, INC.
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 716 OKLAHOMA
 TRAN/PUD APP
 \$100.00

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SE/4 of said Section 35, is expected to be completed in and produce from the Mississippi Lime common source of supply.

2.3. Since the entry of Order No. 537416, 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 35 in that it now appears that the existing well 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 35 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 35, 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. 537416, 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 35, 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 DBA 20805

P.O. Box 18496

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. | Arcadia Resources, LP
P. O. Box 18756
Oklahoma City, OK 73154 | 13. | Sam S. Long and Barbara Long
1101 Center Street
Alva, OK 73717 |
| 2. | Atinum Midcon I, LLC
333 Clay Street, Suite 700
Houston, TX 77002 | 14. | Dorothy McGill
P. O. Box 619
Bayfield, CO 81122 |
| 3. | Mary Louise Barton
14400 S. Lewis Avenue
Bixby, OK 74008 | 15. | Dorothy McGill
2299 County Road 500
Bayfield, CO 81122 |
| 4. | Lynell Beierschmitt
1402 W. Broadway Avenue
Enid, OK 73703 | 16. | Kurt McGinley
1283 Oak Street
Wakita, OK 73771 |
| 5. | The Lori A. Daugherty Revocable Living
Trust dated June 20, 2008
c/o 1225 E. 25th Street
Tulsa, OK 74114 | 17. | Mary Miller
P. O. Box 662
Buffalo, OK 73834 |
| 6. | The Fettke Family Trust dated July 1,
1992
c/o 3126 Pebble Beach Drive
Dallas, TX 75234 | 18. | Pelican Energy, LLC
P. O. Box 18756
Oklahoma City, OK 73154 |
| 7. | John L. Fitzsimons
P. O. Box 580831
Tulsa, OK 74158 | 19. | Repsol E&P USA, Inc
2001 Timberloch Place, Suite 3000
The Woodlands, TX 77380 |
| 8. | John L. Fitzsimons
705 S. 90th East Avenue
Tulsa, OK 74112 | 20. | SandRidge Energy, Inc
123 Robert S. Kerr Avenue
Oklahoma City, OK 73102 |
| 9. | John Heasley
12226 S. Garland Road
Waukomis, OK 73773 | 21. | SandRidge Exploration & Production, LLC
123 Robert S. Kerr Avenue
Oklahoma City, OK 73102 |
| 10. | Julie Heasley
802 7th Street
Alva, OK 73717 | 22. | David R. Simon
1132 N. Washington Street
Forrest City, AR 72335 |
| 11. | Robert Heasley
3217 Dusty Crossing
Schertz, TX 78154 | 23. | David R. Simon
192 Saint Francis Heights, #425
Forrest City, AR 72335 |
| 12. | Larchmont Resources, LLC
P. O. Box 18756
Oklahoma City, OK 73154 | 24. | Patricia Sue Simon
3751 Connie Lane
Edmond, OK 73034 |
| | | 25. | Scott Franklin Simon
210 Creekside Drive
Enid, OK 73701 |

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26. William Elmore Simon
44207 Latimer Road
Alva, OK 73717
27. The Randall L. Sullivan Trust dated April
1, 2005
c/o 15 W. 6th Street, Suite 2300
Tulsa, OK 74119
28. The Randall L. Sullivan Trust dated April
1, 2005
c/o 110 W. 7th Street, Suite 2700
Tulsa, OK 74119
29. Tiptop Oil & Gas US, LLC
P. O. Box 2406
Oklahoma City, OK 73101
30. Larry Wilcoxson and Rita Wilcoxson
44934 Jefferson Road
Alva, OK 73717