

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

APPLICANTS:	CHESAPEAKE OPERATING, INC. AND)	
	CHESAPEAKE EXPLORATION, L.L.C.)	
)	
RELIEF SOUGHT:	HORIZONTAL SPACING)	Cause CD No.
)	201204529
)	
LEGAL	SECTION 25)	
DESCRIPTION:	TOWNSHIP 25 NORTH)	Order No. 601248
	RANGE 12 WEST OF THE 10M)	
	ALFALFA COUNTY, OKLAHOMA)	

ORDER OF THE COMMISSION

1. Hearing Date and Place: 8:30 a.m., on the 20th day of August, 2012, Jim Thorpe Building, Oklahoma City, Oklahoma. No protest to this cause was filed or announced before or at the calling of such docket and it was announced at the time this cause was called that Applicants, Chesapeake Operating, Inc. and Chesapeake Exploration, L.L.C., elected to have the merits of this cause reviewed and considered under the optional procedure set forth in OAC 165:5-13-3.1.

2. Appearances: Emily P. Smith, attorney for Applicants, Chesapeake Operating, Inc. and Chesapeake Exploration, L.L.C.

3. Notice and Jurisdiction: Notice has been given by publication as required by Commission rules and affidavits of publication have been filed. Those owners whose names and addresses were attainable have been given actual notice by mail. Applicants have made a meaningful and diligent search of all reasonably available sources at hand to ascertain those parties that are entitled to notice and the whereabouts of those entitled to notice but who were served only by publication. The Commission finds the process to be proper and has jurisdiction over the subject matter and the parties.

4. Amendment: The Application is amended to dismiss Respondent Nos. 16, 43 and 85. Respondent Nos. 17, 18, 19, 20, 21, 22 and 40 have been changed to address unknown. Respondent Nos. 54 and 74 have been updated to reflect a more correct address. Respondent No. 41A has been added to reflect a more correct address.

5. Reconciliation of Conflicting Nomenclature or Spacing: None.

6. Relief Requested: A drilling and spacing unit should be created for the common source of supply and land as set forth in "Relief Granted" below. The manner in which said unit is to be created, as well as the depth, classification of production, size of said unit and the well location are also set forth in "Relief Granted" below.

7. Relief Granted:

a. Previous Orders Vacated, Amended or Reformed: None.

b. The following lands are underlain by the common source of supply designated and therefore the following drilling and spacing unit is hereby established as follows:

<u>Common Source of Supply</u>	<u>Classification and Depth</u>	<u>Unit Size</u>	<u>Order Extended</u>
Mississippian	GGC/6093	640-acre horizontal	Establish

underlying the following described land, to wit:

Section 25, Township 25 North, Range 12 West of the IM, Alfalfa County, Oklahoma.

c. Form and Shape of Unit: The 640-acre horizontal unit established hereby shall consist of a governmental section.

d. Location of Unit Well: The unit well for said 640-acre horizontal unit shall be located no closer than 660 feet from the unit boundary.

e. No more than one well shall hereafter be produced from said common source of supply named above on the drilling and spacing unit established hereby and the permitted well on said drilling and spacing unit established hereby shall be drilled only at the location thereon as prescribed above, unless the Commission, prior to the drilling of said well, shall have authorized a well location exception therefor in accordance with Okla. Stat. tit. 52, Section 87.1.

f. Map Attached: Attached to this Order is Exhibit A, a plat indicating the information required by statute.

g. Relationship to Non-Horizontal Units: The unit created hereby shall supersede any non-producing non-horizontal drilling and spacing unit for the same common source of supply. The unit created hereby shall coexist with any producing non-horizontal drilling and spacing unit for the same common source of supply.

8. Conclusion: The relief requested is necessary to prevent or to assist in preventing the various types of waste of oil or gas prohibited by statute, or any of said wastes, and to protect or assist in protecting the correlative rights of interested parties. Such requested relief, as set forth above, should be granted and IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA

Patrice Douglas

PATRICE DOUGLAS, Chairman

Bob Anthony

BOB ANTHONY, Vice Chairman

Dana L. Murphy

DANA L. MURPHY, Commissioner

DONE AND PERFORMED THIS 22 day of Aug 2012.

BY ORDER OF THE COMMISSION

Peggy Mitchell

PEGGY MITCHELL, Commission Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing findings and order are the report and recommendations of the Administrative Law Judge.

APPROVED:

William F. Stevens

Administrative Law Judge

8/20/12

Date

W. A. McCoy

Reviewer - Technical Department

Date

Approved as to form and content:

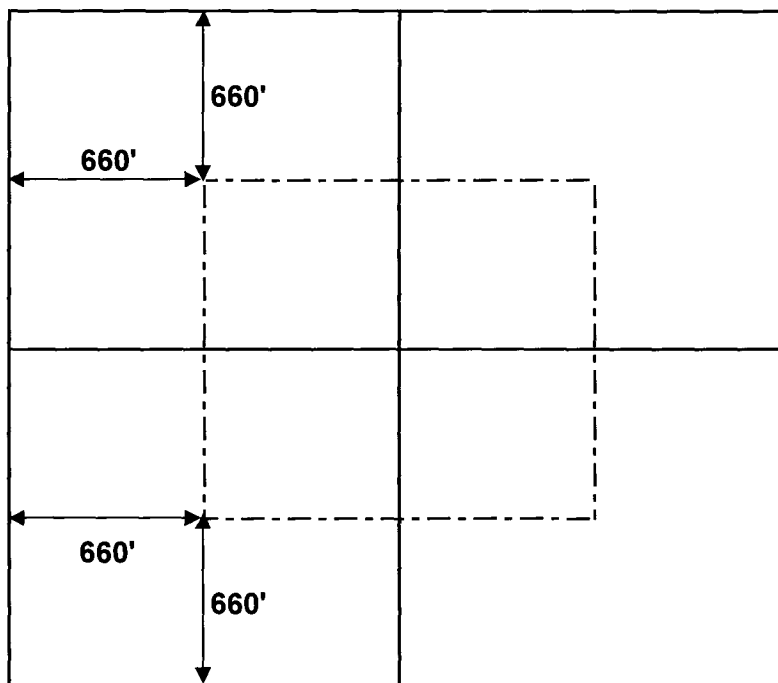
Emily P. Smith

Emily P. Smith

EXHIBIT A - CD 201204529

ALFALFA COUNTY, OKLAHOMA

SECTION 25



TOWNSHIP 25
NORTH

RANGE 12 WEST OF THE IM

Common Source of Supply:

Mississippian

Unit Size:

Horizontal 640-acre governmental section
consisting of Section 25, Township 25 North,
Range 12 West of the IM, Alfalfa County,

Permitted Well Location Tolerance:

no closer than 660 feet from any exterior unit
boundary (as depicted above)