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September 27, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Lower Cotton Valley Formation, Reservoir A; Cotton Valley "D" Zone; and Hosston (Travis Peak) Formation; SLIGO FIELD, Bossier Parish, Louisiana.

Dear Sir:

CHESAPEAKE OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A; the Cotton Valley "D" Zone; and to the Hosston (Travis Peak) Formation; all in the Sligo Field, Bossier Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize three (3) alternate unit wells for HOSS TP SUE, two (2) alternate unit wells each for HOSS TP SUR, HOSS TP SUP, HOSS TP SUO, HOSS TP SUT and HOSS TP SUN, and one (1) alternate unit well for HOSS TP SUS, at the locations shown on attached plats.

2. To permit Applicant to drill, designate and utilize four (4) alternate unit wells for CV D SUCC, two (2) alternate unit wells each for CV D SUAA, CV D SUN and CV D SUX, one (1) alternate unit well for CV D SUW, and a unit well and one (1) alternate unit well each for CV D SUY and CV D SUFF, at the locations shown on attached plats.

3. To permit Applicant to drill, designate and utilize four (4) alternate unit wells for LCV RA SUC, two (2) alternate unit wells each for LCV RA SUB, LCV RA SUA and LCV RA SUF, one (1) alternate unit well for LCV RA SUE, and a unit well and one (1) alternate unit well each for LCV RA SUG and LCV RA SUI, at the locations shown on attached plats.

4. To approve exceptions to the well location provisions of Office of Conservation Order No. 8-B, effective September 1, 1956 (applicable to the Cotton Valley "D" Zone and Hosston [Travis Peak] Formation), and Office of Conservation Order No. 8-K, effective October 16, 1990 (applicable to the Lower Cotton Valley Formation, Reservoir A), for any of the proposed wells the location of which, as shown on the attached plats, does not comply with the well location provisions in said Orders.

5. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.

6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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The Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

The Cotton Valley "D" Zone and the Hosston (Travis Peak) Formation in the Sligo Field, Bossier Parish, Louisiana, were defined in Office of Conservation Order No. 8-B, effective September 1, 1956, and the Hosston (Travis Peak) Zone was redefined as to the unit designated HOSS TP SUO by Office of Conservation Order No. 8-B-59, effective November 14, 1995.

Pertinent data concerning this application is available for inspection at the offices of Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person desiring to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the six (6) attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sligo Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,

David L. Smelley

David L. Smelley
Attorney for Chesapeake Operating, Inc.

DLS:dp
Enclosures
cc: Mr. Jim Broussard (w/encls.)
Mr. Les Rodman (w/encls.)
Mr. Joe Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)

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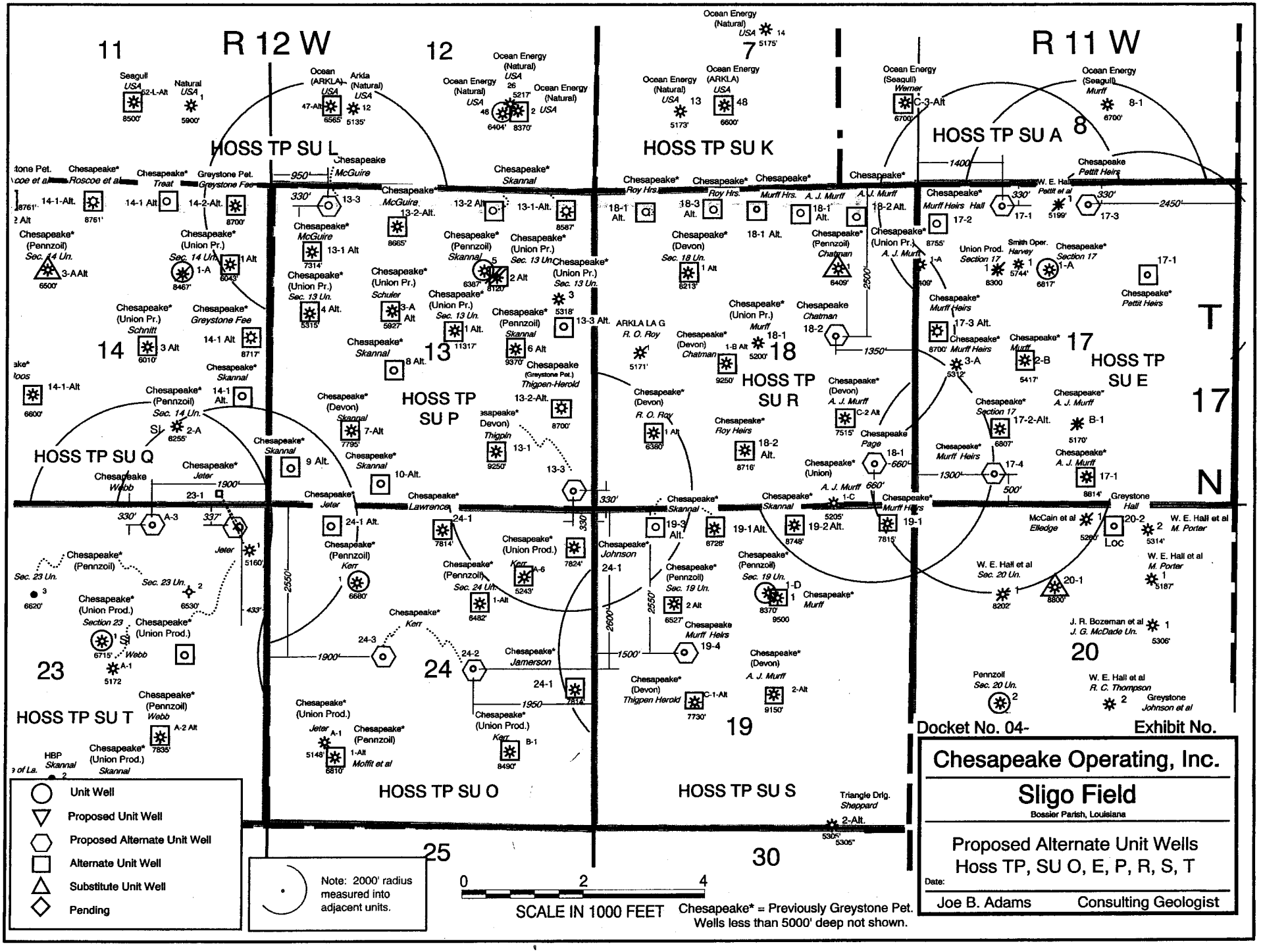
R 12 W
R 11 W
T
N
HOSS TP SU L
HOSS TP SU K
HOSS TP SU A
HOSS TP SU Q
HOSS TP SU P
HOSS TP SU R
HOSS TP SU E
HOSS TP SU T
HOSS TP SU O
HOSS TP SU S
11
12
7
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23
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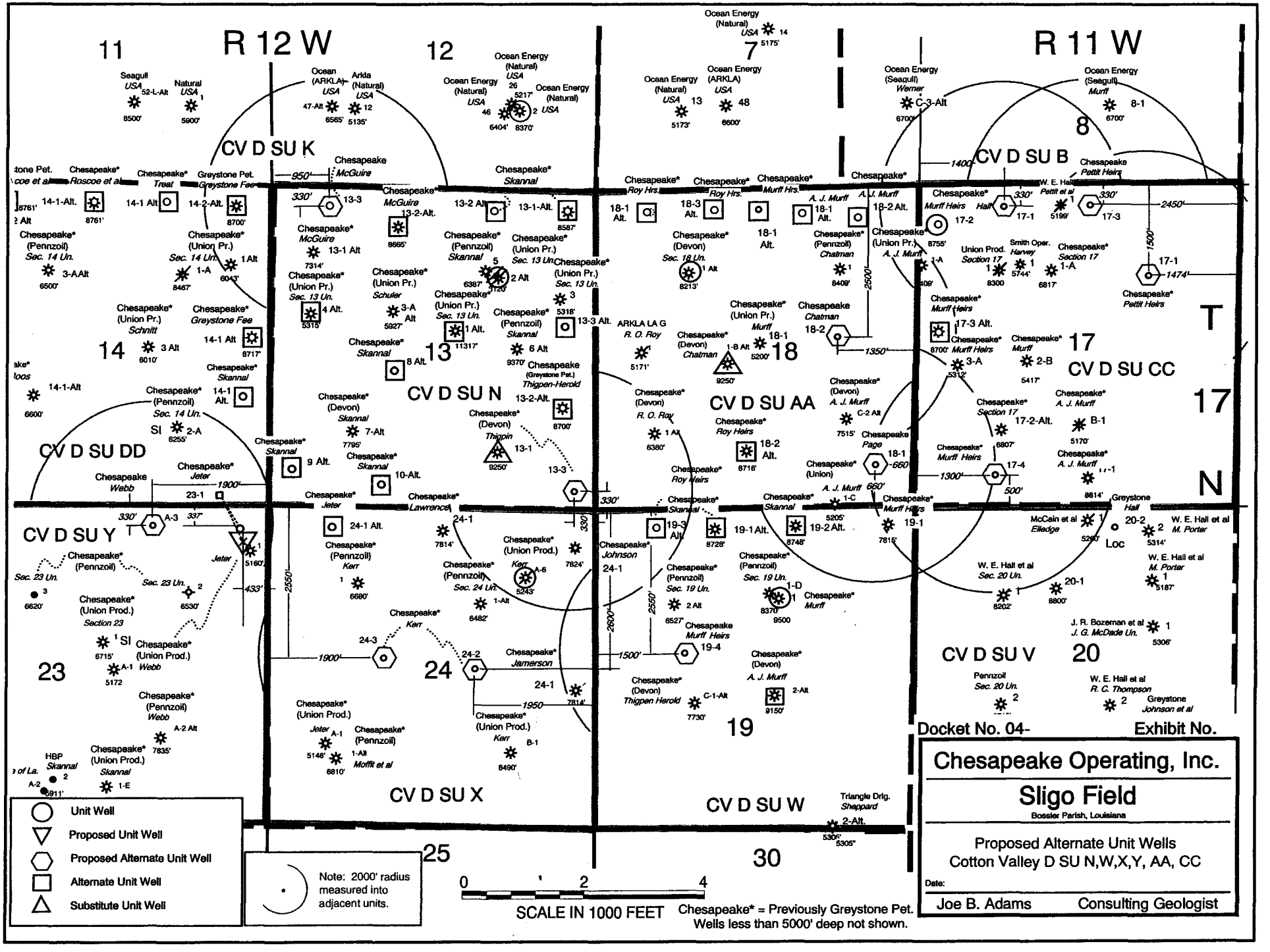
25
30
Note: 2000' radius measured into adjacent units.
0 2 4
SCALE IN 1000 FEET
Chesapeake* = Previously Greystone Pet.
Wells less than 5000' deep not shown.
Unit Well
Proposed Unit Well
Proposed Alternate Unit Well
Alternate Unit Well
Substitute Unit Well
Pending
Docket No. 04-
Exhibit No.
Chesapeake Operating, Inc.
Sligo Field
Bossier Parish, Louisiana
Proposed Alternate Unit Wells
Hoss TP, SU O, E, P, R, S, T
Date:
Joe B. Adams
Consulting Geologist


R 12 W
R 11 W
T
N
CV D SU K
CV D SU B
CV D SU DD
CV D SU N
CV D SU AA
CV D SU CC
CV D SU Y
CV D SU X
CV D SU W
CV D SU V
Unit Well
Proposed Unit Well
Proposed Alternate Unit Well
Alternate Unit Well
Substitute Unit Well
Note: 2000' radius measured into adjacent units.
SCALE IN 1000 FEET
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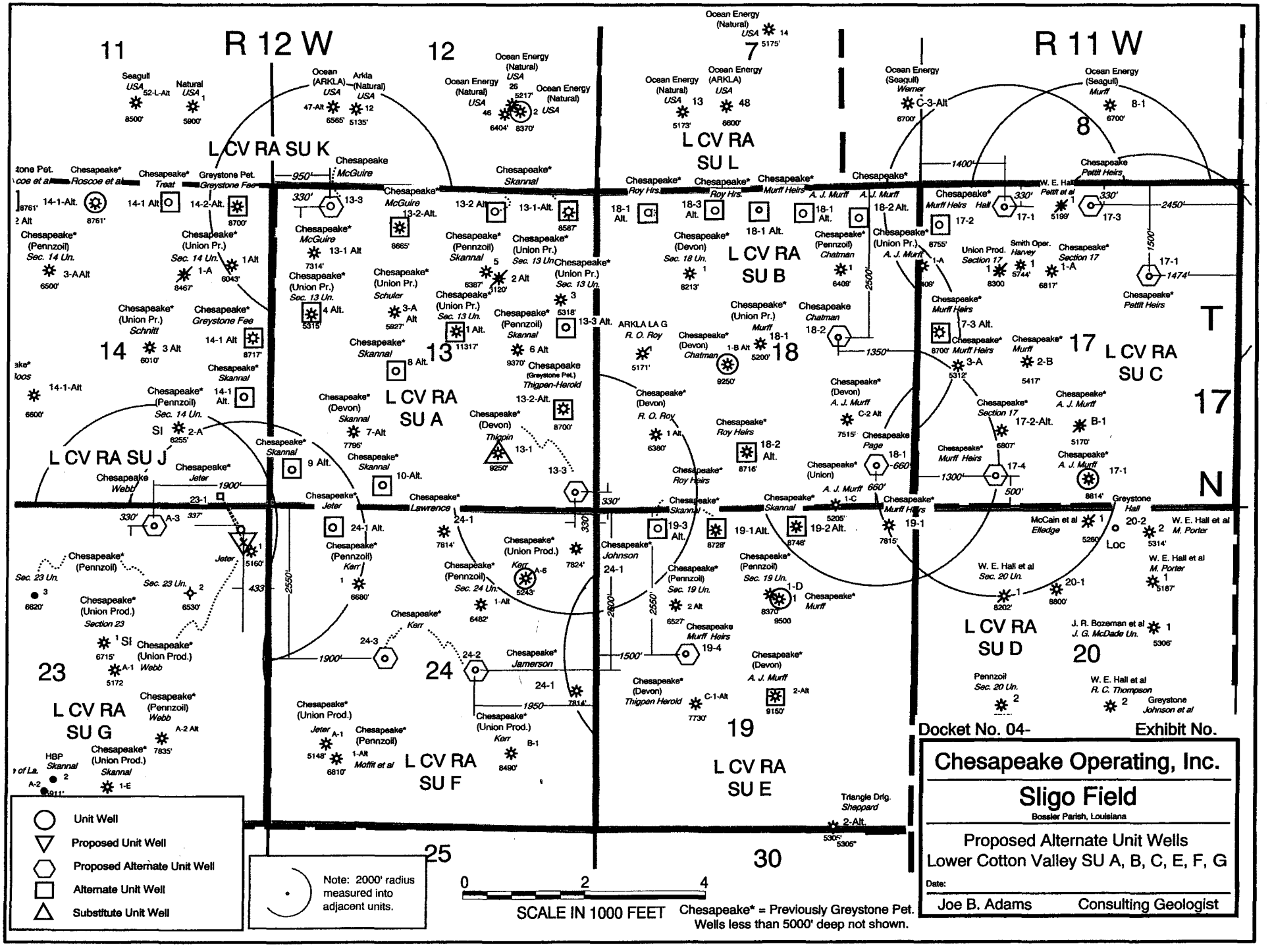
Docket No. 04-
Exhibit No.
Chesapeake Operating, Inc.
Sligo Field
Bossier Parish, Louisiana
Proposed Alternate Unit Wells
Cotton Valley D SU N,W,X,Y, AA, CC
Date:
Joe B. Adams
Consulting Geologist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L CV RA SU A
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L CV RA SU C
L CV RA SU G
L CV RA SU F
L CV RA SU E
L CV RA SU D
Unit Well
Proposed Unit Well
Proposed Alternate Unit Well
Alternate Unit Well
Substitute Unit Well
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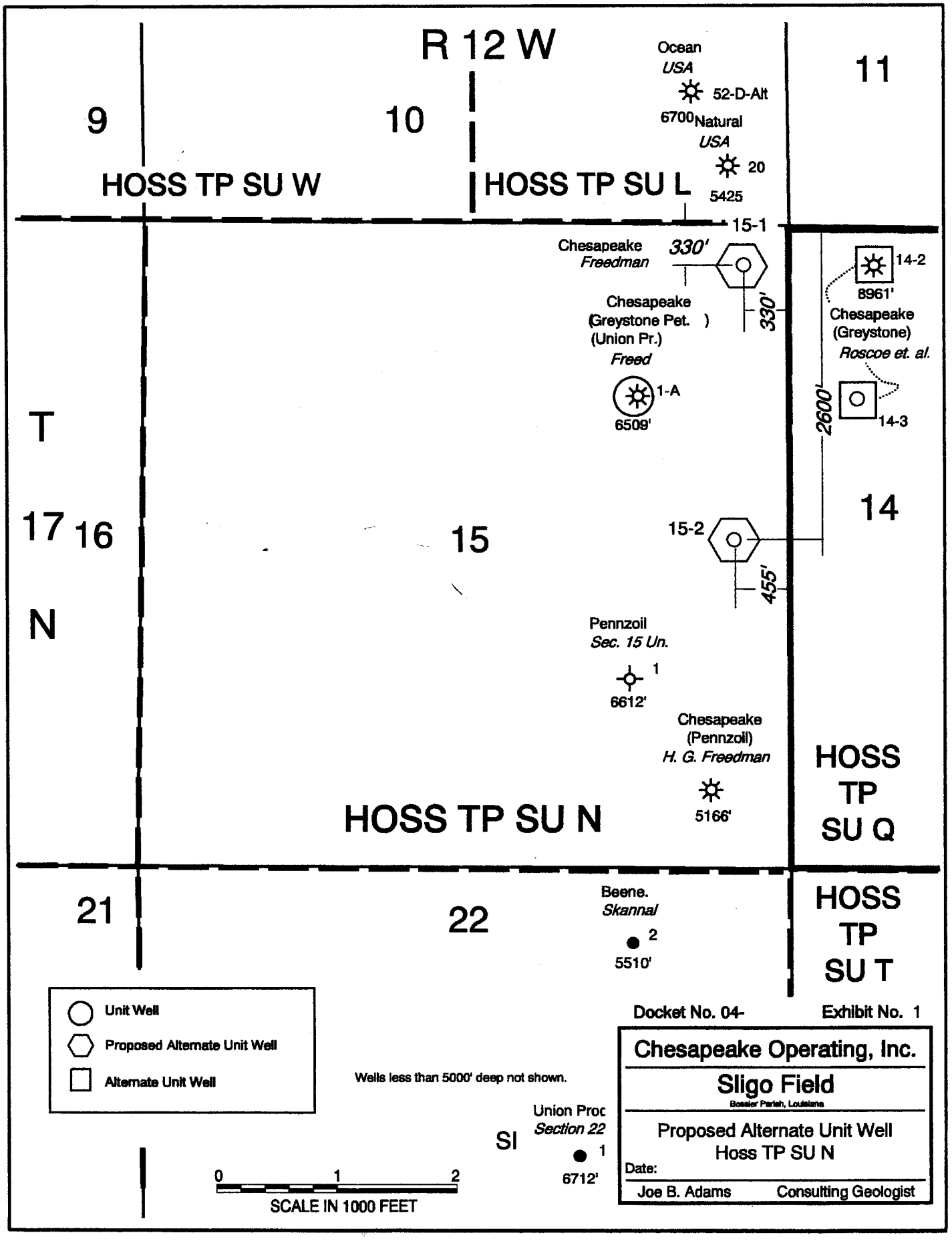
Docket No. 04-
Exhibit No.
Chesapeake Operating, Inc.
Sligo Field
Bossier Parish, Louisiana
Proposed Alternate Unit Wells
Lower Cotton Valley SU A, B, C, E, F, G
Date:
Joe B. Adams
Consulting Geologist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Chesapeake
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330'
14-2
8961'
Chesapeake
(Greystone)
Roscoe et. al.
Chesapeake
(Greystone Pet.)
(Union Pr.)
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Chesapeake
(Pennzoil)
H. G. Freedman
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Skannal
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HOSS
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Unit Well
Proposed Alternate Unit Well
Alternate Unit Well
Wells less than 5000' deep not shown.
Union Proc
Section 22
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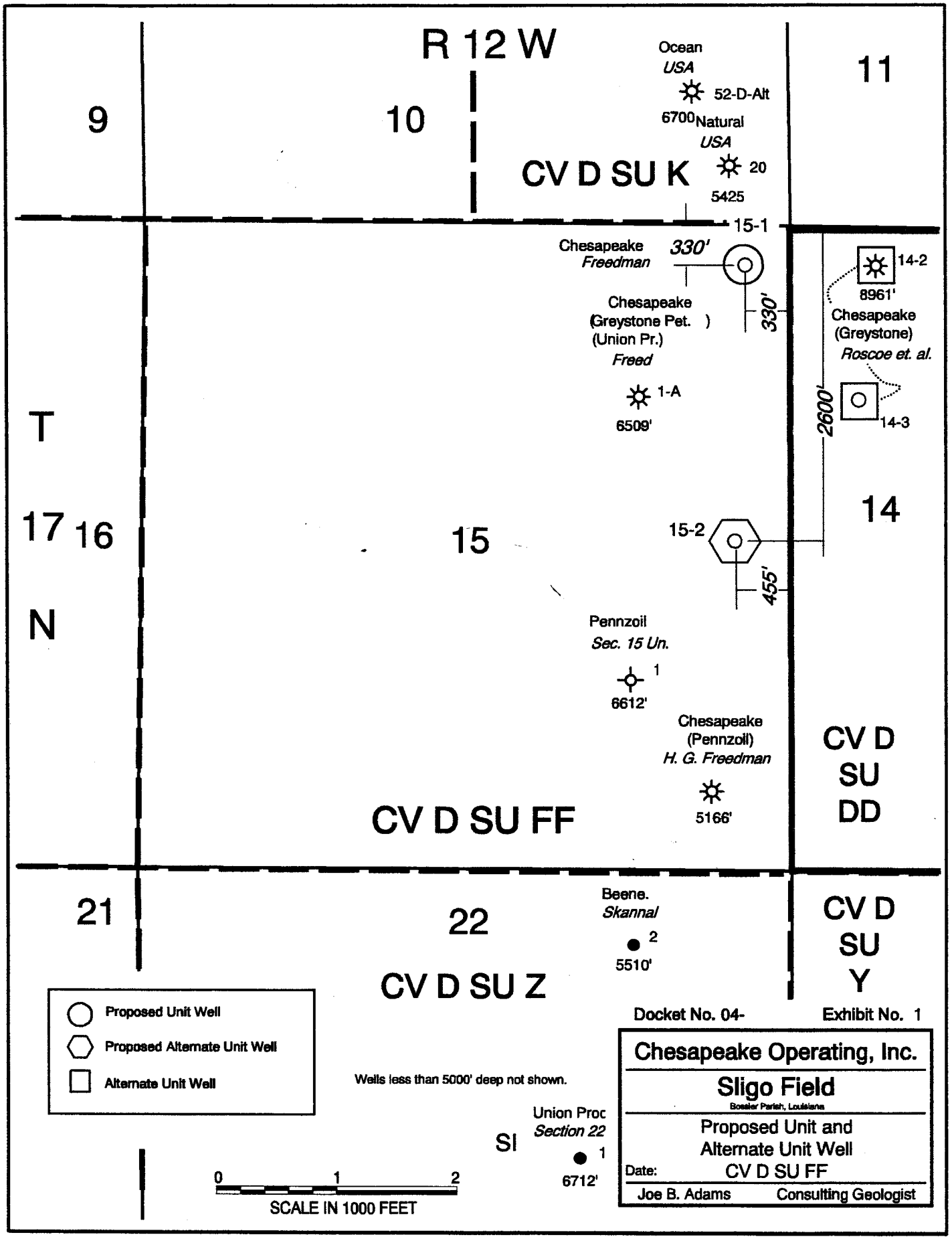
SCALE IN 1000 FEET
Docket No. 04-
Exhibit No. 1
Chesapeake Operating, Inc.
Sligo Field
Bossier Parish, Louisiana
Proposed Alternate Unit Well
Hoss TP SU N
Date:
Joe B. Adams
Consulting Geologist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52-D-Alt
6700
Natural
USA
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CV D SU K
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Chesapeake
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CV D SU Z
Proposed Unit Well
Proposed Alternate Unit Well
Alternate Unit Well
Wells less than 5000' deep not shown.
Union Proc
Section 22
SI
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6712'
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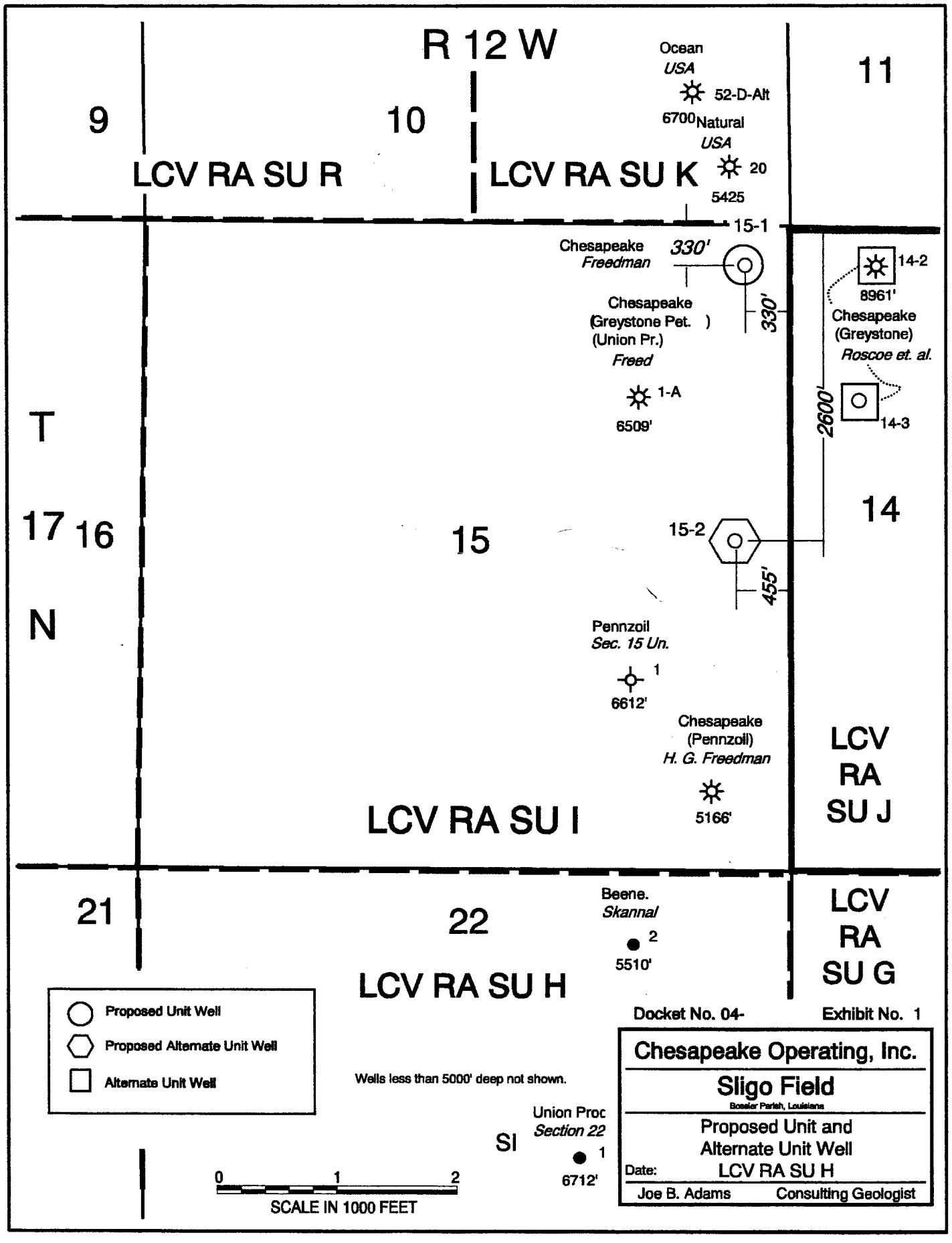
SCALE IN 1000 FEET
Docket No. 04-
Exhibit No. 1
Chesapeake Operating, Inc.
Sligo Field
Bossier Parish, Louisiana
Proposed Unit and
Alternate Unit Well
Date:
CV D SU FF
Joe B. Adams
Consulting Geologist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SU G
LCV RA SU H
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Alternate Unit Well
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Bossier Parish, Louisiana
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