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BLANCHARD, WALKER, O'QUIN & ROBERTS
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August 15, 2006

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217

Email: tallen@bwor.com

RE: HEARING APPLICATION
Pettit Zone, Reservoir A
Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Johnson Branch Field
Caddo Parish, Louisiana
Our File No. 230765.0099

Dear Sir:

On behalf of CHESAPEAKE OPERATING, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Pettit Zone, Hosston Zone, and Cotton Valley Zone, Reservoirs A, in the Johnson Branch Field, Caddo Parish, Louisiana.

1. To establish rules and regulations and create six (6) drilling and production units (to be designated as PET RA SUA thru PET RA SUF) for the exploration for and production of gas and condensate from the Pettit Zone, Reservoir A, in the Johnson Branch Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
2. To establish rules and regulations and create six (6) drilling and production units (to be designated as HOSS RA SUA thru HOSS RA SUF) for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, in the Johnson Branch Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
3. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said units, with allocation of production from the unit well to the tracts within each such unit therefor to be on the basis of surface acreage.
4. To rename the Cotton Valley Sand, Reservoir A, as the Cotton Valley Zone, Reservoir A, and to redefine the Cotton Valley Zone, Reservoir A, in the Johnson Branch Field,

A, and to redefine the Cotton Valley Zone, Reservoir A, in the Johnson Branch Field, INSO FAR AND ONLY INSO FAR AS TO CV RA SUJ thru CV RA SUO, as shown on the plat attached hereto, as that gas and condensate bearing interval between the depths of 8,770 feet and 10,330 feet (electric log measurements) in the Rising Star Energy, L.L.C.- Clingman 1 No. 1 Well located in Section 1, Township 15 North, Range 15 West, Caddo Parish, Louisiana. .

5. To confirm and continue CV RA SUJ thru CV RA SUD in full force and effect, except as redefined herein.
6. Except to the extent in conflict herewith, to extend the provisions of the Office of Conservation 994 and 994-A Series of Orders to the Cotton Valley Zone, Reservoir A, units noted above.
7. To permit the downhole combination of the Pettit Zone, the Hosston Zone and Cotton Valley Zone, Reservoirs A, in the wellbore of any of the proposed units in which the ownership and acreage is identical.
8. To consider such other matters and issue such orders as may be appropriate and justified by the evidence presented at the hearing.

The Pettit Zone, Reservoir A, in the Johnson Branch Field, is hereby defined as that gas and condensate bearing zone encountered between the measured depths of 5,886 feet and 6,380 feet in the Rising Star Energy, L.L.C. - Clingman 1 No. 1 Well, located in Section 1, Township 15 North, Range 15 West, Caddo Parish, Louisiana.

The Hosston Zone, Reservoir A, in the Johnson Branch Field, is hereby defined as that gas and condensate bearing interval between the depths of 6,380 feet and 8,770 feet (electric log measurements) in the Rising Star Energy, L.L.C.- Clingman 1 No. 1 Well located in Section 1, Township 15 North, Range 15 West, Caddo Parish, Louisiana.

The Cotton Valley Sand, Reservoir A, in the Johnson Branch Field, is currently defined in Office of Conservation Order No. 994, effective April 14, 1977, but shall be renamed as the Cotton Valley Zone, Reservoir A and redefined as set forth above.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

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A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated July 27, 2006, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no timely request for a Pre-Application Conference, and accordingly, no conference will be held.

A check in the amount of \$2,265.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Chesapeake Operating, Inc.

WTAlII:kml
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plats only)

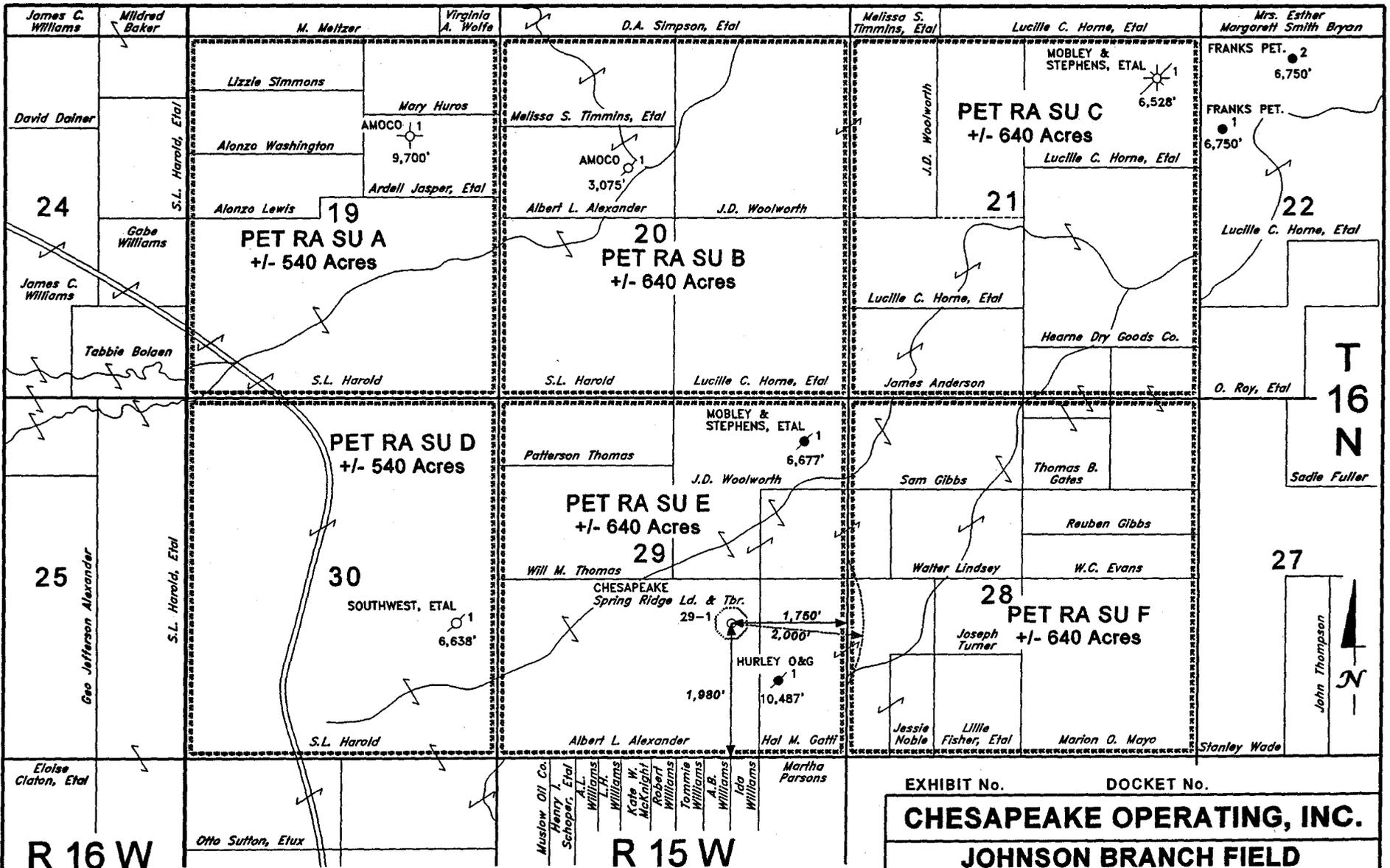


EXHIBIT No. _____ DOCKET No. _____

CHESAPEAKE OPERATING, INC.

JOHNSON BRANCH FIELD
CADDO PARISH, LOUISIANA

Proposed Units
Pettet Zone, Reservoir A

Date: _____

0' 2000' 4000' 6000'

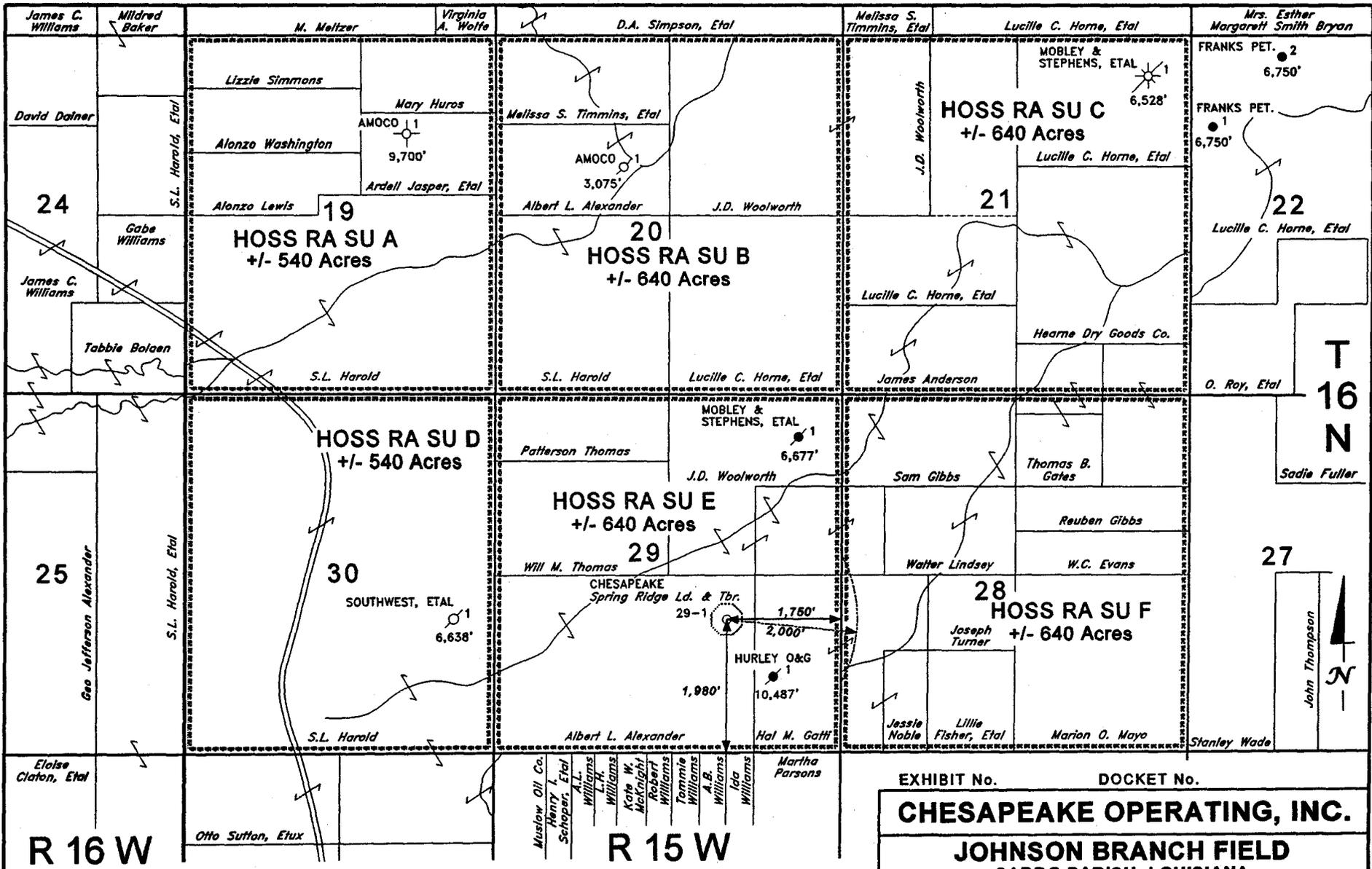
Geology: **JOE B. ADAMS**

----- - PROPOSED PETTET ZONE UNITS

○ - PROPOSED UNIT WELL

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.


Geo-Draft, Inc.
(504) 836-2882



----- PROPOSED HOSSTON ZONE UNITS

○ - PROPOSED UNIT WELL

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.

EXHIBIT No. DOCKET No.

CHESAPEAKE OPERATING, INC.

JOHNSON BRANCH FIELD
CADDO PARISH, LOUISIANA

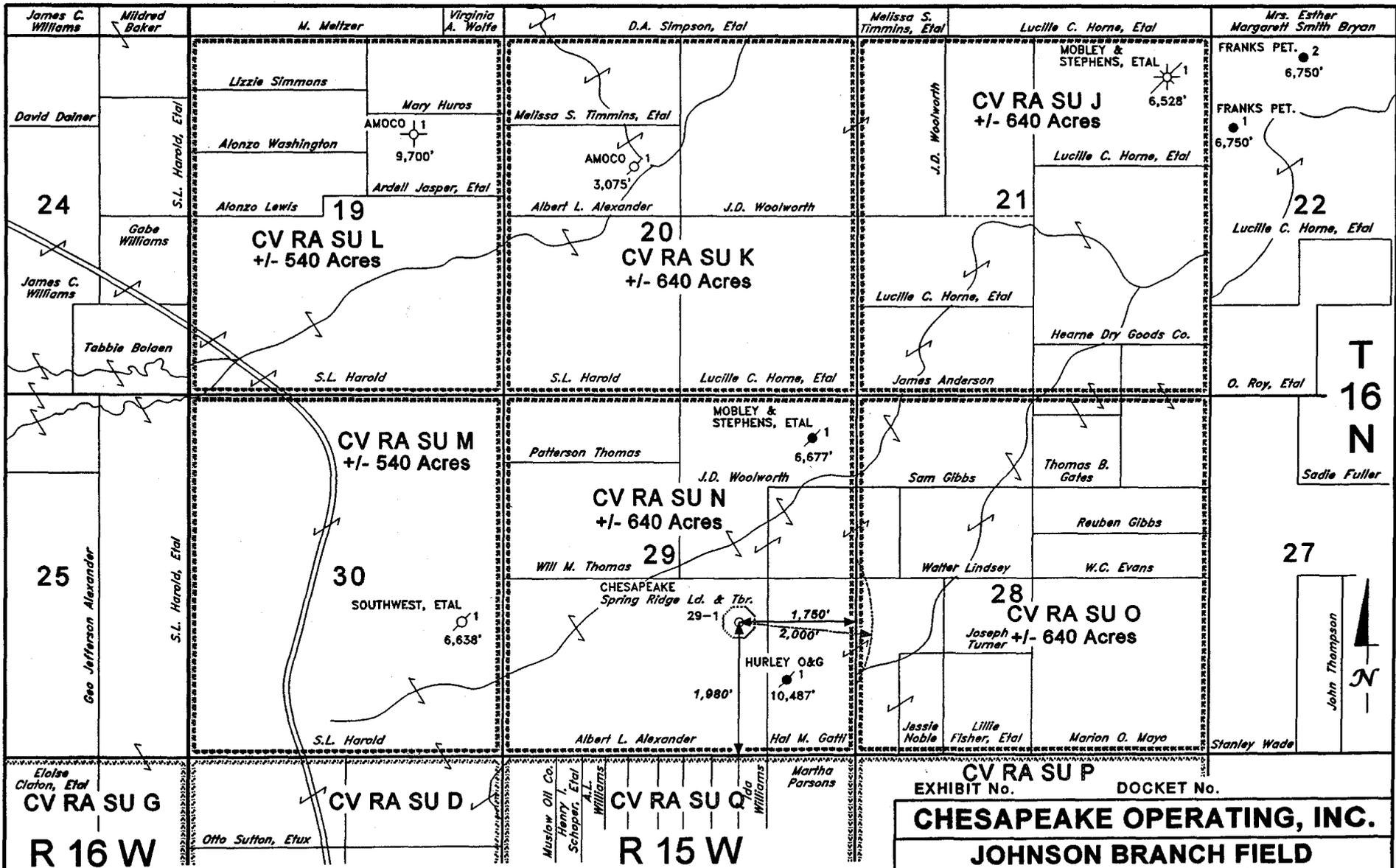
Proposed Units
Hosston Zone, Reservoir A

Date:

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS


Geo-Draft, Inc.
(504) 836-2882



- PROPOSED REDEFINITION COTTON VALLEY ZONE UNITS
- EXISTING COTTON VALLEY ZONE UNITS
- PROPOSED UNIT WELL

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.

EXHIBIT No. _____ DOCKET No. _____

CHESAPEAKE OPERATING, INC.

JOHNSON BRANCH FIELD
CADDO PARISH, LOUISIANA

Proposed Redefinition
Cotton Valley Zone SU J,K,L,M,N & O

Date: _____

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS