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February 3, 2006

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

Re: APPLICATION FOR PUBLIC HEARING

Hosston Formation, Reservoir A; and Cotton Valley
Formation, Reservoir A; ASHLAND FIELD,
Natchitoches 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 Hosston Formation, Reservoir A; and to the Cotton Valley Formation, Reservoir A; in the Ashland Field, Natchitoches Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from each of said formations and reservoirs.
2. To create five (5) drilling and production units for the exploration for and production of gas and condensate from each of said formations and reservoirs, such units being shown on attached plats and being designated HOSS RA SUA through HOSS RA SUE and CV RA SUA through CV RA SUE.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
5. To propose that future wells drilled to these formations and reservoirs within or outside of the units proposed herein be located no closer than 330 feet to any unit boundary and no closer than 1500 feet to any other well permitted to or completed in the same formation and reservoir.

6. To provide that the Commissioner of Conservation may reclassify either of these formations and reservoirs by Supplemental Order and without the necessity of a public hearing should any such reclassification be warranted based on evidence furnished to the Commissioner.

7. To define the Hosston Formation, Reservoir A, as the stratigraphic equivalent of that interval encountered between the measured depths of 7,310 feet and 10,590 feet in the J-W Operating Company--Davis Brothers 20 No. 1 Well, located in Section 20, Township 16 North, Range 4 West, Bienville Parish, Louisiana.

8. To define the Cotton Valley Formation, Reservoir A, as the stratigraphic equivalent of that interval encountered between the measured depths of 10,590 feet and 16,105 feet in the J-W Operating Company--Davis Brothers 20 No. 1 Well, located in Section 20, Township 16 North, Range 4 West, Bienville Parish, Louisiana.

9. To consider such other matters as may be pertinent.

Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person wishing 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 data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

The proposed definitions for the Hosston Formation, Reservoir A, and for the Cotton Valley Formation, Reservoir A, as set forth above have been revised from the proposed definitions set out in the pre-application notice in order to be compatible with the definitions proposed for these formations and reservoirs by Samson Contour Energy E&P, L.L.C., in its pre-application notice dated January 26, 2006, relating to this field.

By letter dated January 23, 2006, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set February 17, 2006, as the tentative date for the pre-application conference. No request for the pre-application conference was received within ten (10) days after the date of said letter; accordingly, no pre-application conference was held.

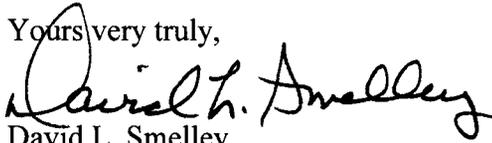
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats (which are identical to the unit plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of

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Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as 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 Ashland Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

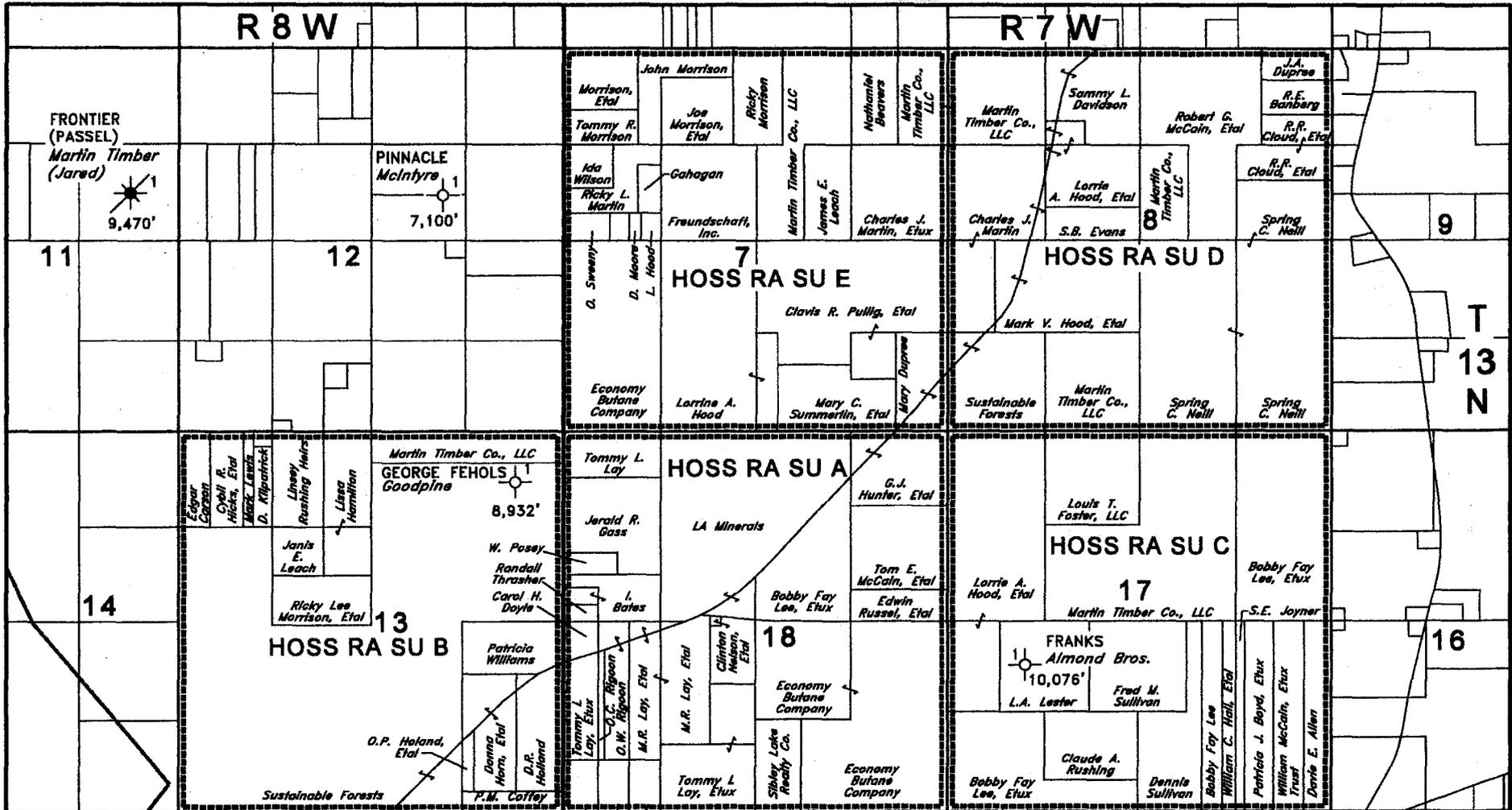
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

--- Attorney for Chesapeake Operating, Inc.

DLS:dp
Enclosures

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



RED RIVER PH.
NATCHITOCHE PH.

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

----- PROPOSED HOSSTON FORMATION UNITS

EXHIBIT No. _____ DOCKET No. _____

CHESEPEAKE OPERATING, INC.

ASHLAND FIELD
NATCHITOCHE PARISH, LOUISIANA

Proposed Units
Hosston Formation

Date: _____

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS

