

# BLANCHARD WALKER

A TRADITION OF EXCELLENCE SINCE 1917

BLANCHARD, WALKER, O'QUIN & ROBERTS  
A PROFESSIONAL LAW CORPORATION

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August 31, 2009

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

**Mailing Address:**  
P.O. Drawer 1126  
Shreveport, LA 71163-1126

**WM. TIMOTHY ALLEN, III**  
**Direct:** 318.934.0217  
**Email:** tallen@bwor.com

RE: HEARING APPLICATION  
Haynesville Zone, Reservoir A  
HA RA SU59  
Greenwood-Waskom Field  
Caddo Parish, Louisiana  
Our File No. 230765.293

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 Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana.

1. To create one (1) additional drilling and production unit (to be designated as HA RA SU59) for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana, as shown on the plat attached hereto.
2. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within the proposed unit, with allocation of production to the tracts within such unit to be on the basis of surface acreage.
3. To designate Chesapeake Operating, Inc. as the unit operator and to designate a unit well for said unit, if appropriate.
4. With respect to future horizontal wells drilled to the Haynesville Zone, Reservoir A, in the proposed unit, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary and between offset well(s) will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus;
5. To redefine the Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, INsofar AND ONLY INsofar as to the proposed HA RA SU59, as being that gas and condensate bearing zone encountered between the depths of 9,828 feet and 11,145 feet (electrical log measurements) in the Encore Operating Louisiana, L.L.C. (formerly Greystone Oil & Gas, L.L.P.) - Querbes No. 2 Well located in 29, Township 16 North, Range 16 West, Caddo Parish, Louisiana ;
6. To provide that any future wells drilled to the Haynesville Zone, Reservoir A, within or outside of the unit created herein, should be located no closer than 330 feet to any unit line and no closer than 660 feet to any well completed in, drilling to or for which a permit has been granted to drill to the Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana;
7. Except to the extent in conflict herewith, to extend the provisions of the Office of Conservation Order No. 270-MM, effective June 19, 1977, as amended and supplemented by the 270-MM Series of Orders, to the unit created hereby.

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

The Haynesville Zone, Reservoir A, in the Greenwood-Waskom Field, was initially defined in Office of Conservation Order No. 270-MM, effective June 19, 2007, but shall be 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.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Revised Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, 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 Revised Rules of Procedure.

By Pre-Application Notice dated August 13, 2009, 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 \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

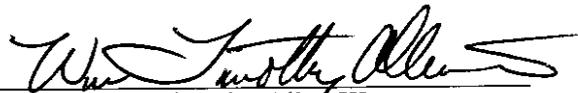
This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

***You may have received this Hearing Application even though your property may not be included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.***

***Your receipt of this Hearing Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.***

Very truly yours,

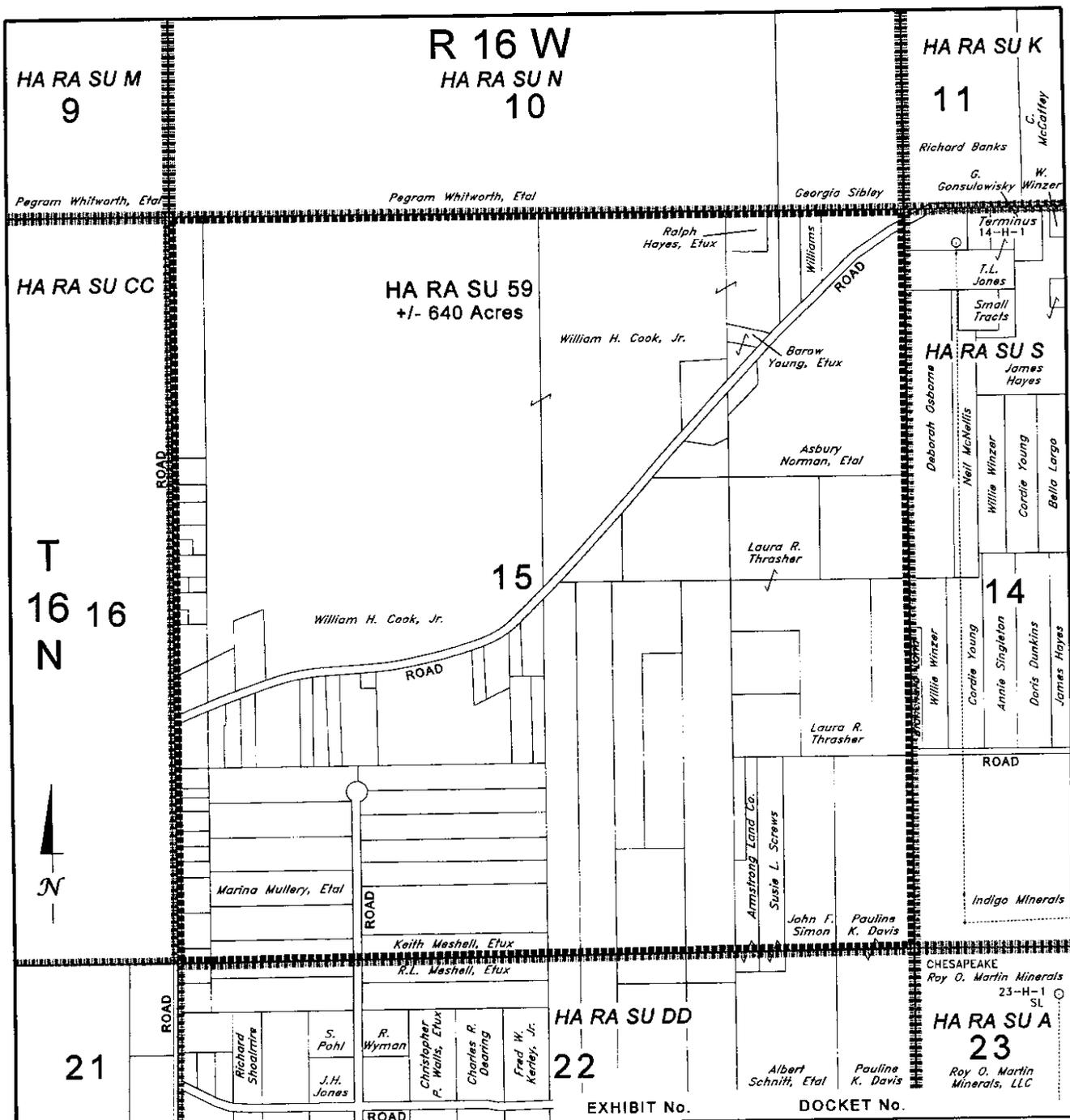
BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 

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

WTAH:k mw  
Enclosures

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



 - PROPOSED UNIT  
 - EXISTING HA UNITS

NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.  
 NOTE: NO WELL WILL BE PERFORATED LESS THAN 330' FROM ANY UNIT LINES.



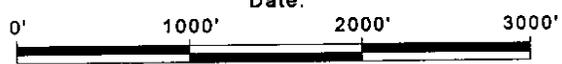
EXHIBIT No. \_\_\_\_\_ DOCKET No. \_\_\_\_\_

**CHESAPEAKE OPERATING, INC.**

**GREENWOOD - WASKOM FIELD**  
CADDO PARISH, LOUISIANA

Proposed Unit  
**Haynesville Zone, Reservoir A**

Date: \_\_\_\_\_



Geology: JOE B. ADAMS