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December 7, 2009

APPLICATION

7097-69645

Honorable James H. Welsh
Commissioner of Conservation
Louisiana Office of Conservation
P.O. Box 94275
Baton Rouge, LA 70804-4275

RE: Haynesville Zone, Reservoir A
Thorn Lake Field
DeSoto and Red River Parishes, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **CHESAPEAKE OPERATING, INC.**, for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters related to the **Haynesville Zone, Reservoir A**, in the **Thorn Lake Field**, DeSoto and Red River Parishes, Louisiana, for which rules and regulations were established and a pattern of drilling and production units was created by Office of Conservation Order No. 1145-B, effective July 15, 2008, as amended and supplemented by the 1145-B Series of Orders, to-wit:

1. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A, such units to be designated HA RA SUS, HA RA SUZ, and HA RA SUAA;

2. To redefine the Haynesville Zone, Reservoir A, INSOFAR AND ONLY INSOFAR as the proposed units referenced herein are concerned, in accordance with the DEFINITION section hereof;

3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;

4. To designate Chesapeake Operating, Inc. as the operator of, and a unit well for each of the proposed units, if appropriate;

5. To provide that with respect to horizontal wells drilled to the Haynesville Zone, Reservoir A, within or to serve the proposed units, 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 any offset well(s) should be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus;

6. To extend to the proposed units, to the extent not inconsistent herewith, all pertinent provisions of Office of Conservation Order No. 1145-B, effective July 15, 2008, as amended and supplemented by the 1145-B Series of Orders, and all applicable Statewide Orders; and

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

DEFINITION - The Haynesville Zone, in the Thorn Lake Field, DeSoto and Red River Parishes, Louisiana, was previously defined in Office of Conservation Order No. 1145-B, effective July 15, 2008, and is hereby redefined, INSOFAR AND ONLY INSOFAR as the proposed units referenced herein are concerned, as being the stratigraphic equivalent of that gas and condensate bearing zone encountered between the depths of 9,930 feet and 11,963 feet (electrical log measurements) in the Chesapeake Operating, Inc. (formerly Matador Production Company) - Blount Farms 2 No. 1 Well located in Section 2, Township 14 North, Range 12 West, Red River Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 8:30 a.m. on Wednesday, December 2, 2009, at The Petroleum Club, 416 Travis Street, Shreveport, Louisiana. A list of the parties who attended the pre-application conference is attached. Jeremy B. Shealy, attorney for the applicant, opened the conference with a discussion on unitization and the Rules of Procedure. David Comeaux, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefor, and answered questions. The conference was then adjourned. Some concerns relative to the proposal were expressed at the conference, but no counterplan was presented. At this time, we are unable to anticipate whether there will be opposition at the hearing.

Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting David Comeaux, with Leon Comeaux & Associates, 305 La Rue France, Lafayette, LA 70508 (337) 233-9839.

There are attached hereto and made a part hereof a plat outlining the proposed units and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of $755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

RANDALL C. SONGY
JEREMY B. SHEALY

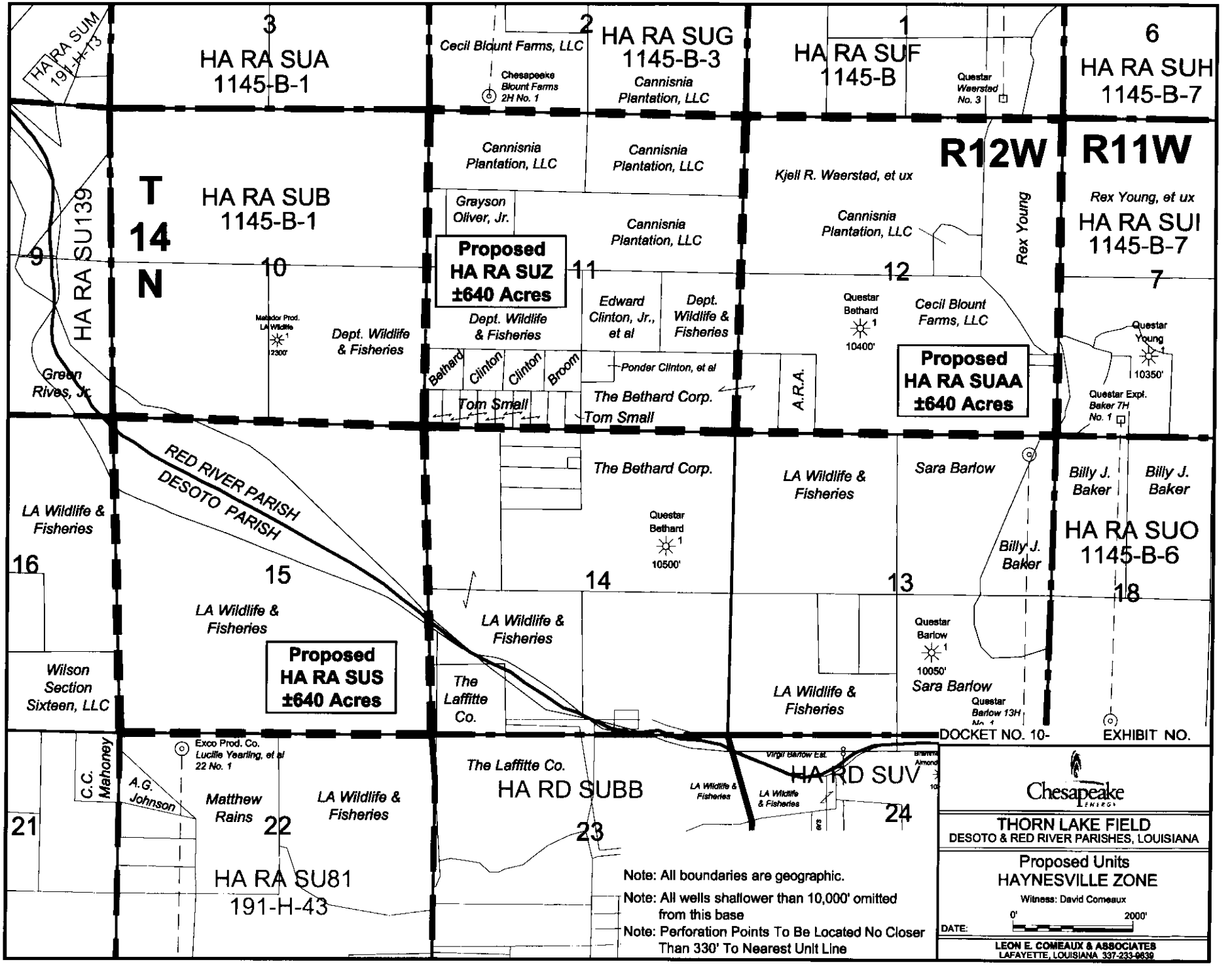
RCS/JBS/smp/dmw
Enclosures
cc: Interested Owners, Represented Parties, and Interested Parties

Mr. Jim Broussard, District Manager
Office of Conservation

P.S. To all Interested Owners, Represented Parties and Interested Parties:

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

Your receipt of this 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.


HA RA SUM
191-H-13
3
HA RA SUA
1145-B-1
2
Cecil Blount Farms, LLC
Chesapeake
Blount Farms
2H No. 1
HA RA SUG
1145-B-3
Cannisnia
Plantation, LLC
1
HA RA SUF
1145-B
Questar
Waerstad
No. 3
6
HA RA SUH
1145-B-7
T
14
N
HA RA SU139
HA RA SUB
1145-B-1
Cannisnia
Plantation, LLC
Cannisnia
Plantation, LLC
Grayson
Oliver, Jr.
Cannisnia
Plantation, LLC
Proposed
HA RA SUZ
±640 Acres
R12W
Kjell R. Waerstad, et ux
Cannisnia
Plantation, LLC
Rex Young
R11W
Rex Young, et ux
HA RA SUI
1145-B-7
9
10
11
12
7
Matador Prod.
LA Wildlife
1
2300'
Dept. Wildlife
& Fisheries
Dept. Wildlife
& Fisheries
Edward
Clinton, Jr.,
et al
Dept.
Wildlife &
Fisheries
Questar
Bethard
1
10400'
Cecil Blount
Farms, LLC
Proposed
HA RA SUAA
±640 Acres
Questar
Young
1
10350'
Questar Expl.
Baker 7H
No. 1
Green
Rives, Jr.
Bethard
Clinton
Clinton
Broom
Ponder Clinton, et al
The Bethard Corp.
Tom Small
Tom Small
A.R.A.
LA Wildlife &
Fisheries
RED RIVER PARISH
DESOTO PARISH
The Bethard Corp.
Questar
Bethard
1
10500'
LA Wildlife &
Fisheries
Sara Barlow
Billy J.
Baker
Billy J.
Baker
Billy J.
Baker
HA RA SUO
1145-B-6
16
15
14
13
18
LA Wildlife &
Fisheries
LA Wildlife &
Fisheries
Proposed
HA RA SUS
±640 Acres
Wilson
Section
Sixteen, LLC
The
Laffitte
Co.
Questar
Barlow
1
10050'
Sara Barlow
Questar
Barlow 13H
No. 1
LA Wildlife &
Fisheries
DOCKET NO. 10-
EXHIBIT NO.
C.C.
Mahoney
Exco Prod. Co.
Lucille Yearling, et al
22 No. 1
A.G.
Johnson
Matthew
Rains
LA Wildlife &
Fisheries
The Laffitte Co.
HA RD SUBB
LA Wildlife &
Fisheries
Virgil Barlow Est.
HA RD SUV
LA Wildlife
& Fisheries
21
22
23
24
HA RA SU81
191-H-43
Note: All boundaries are geographic.
Note: All wells shallower than 10,000' omitted
from this base
Note: Perforation Points To Be Located No Closer
Than 330' To Nearest Unit Line
Chesapeake
ENERGY
THORN LAKE FIELD
DESOTO & RED RIVER PARISHES, LOUISIANA
Proposed Units
HAYNESVILLE ZONE
Witness: David Comeaux
0'
2000'
DATE:
LEON E. COMEAUX & ASSOCIATES
LAFAYETTE, LOUISIANA 337-233-0639