

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

APPLICANTS:	CHESAPEAKE OPERATING, INC. AND) CHESAPEAKE EXPLORATION, L.L.C.))	
RELIEF SOUGHT:	SPACING)	Cause CD No. 201106036
LEGAL	SECTION 19)	
DESCRIPTION:	TOWNSHIP 28 NORTH) RANGE 18 WEST OF THE IM) WOODS COUNTY, OKLAHOMA)	Order No. 591815

ORDER OF THE COMMISSION

1. Hearing Date and Place: 8:30 a.m., on the 6th day of December, 2011, Jim Thorpe Building, Oklahoma City, Oklahoma. No protest to this cause was filed or announced before or at the calling of such docket and it was announced at the time this cause was called that Applicants, Chesapeake Operating, Inc. and Chesapeake Exploration, L.L.C., elected to have the merits of this cause reviewed and considered under the optional procedure set forth in OAC 165:5-13-3.1.

2. Appearances: Emily P. Smith, attorney for Applicants, Chesapeake Operating, Inc. and Chesapeake Exploration, L.L.C.

3. Notice and Jurisdiction: Notice has been given by publication as required by Commission rules and affidavits of publication have been filed. Those owners whose names and addresses were attainable have been given actual notice by mail. Applicants have made a meaningful and diligent search of all reasonably available sources at hand to ascertain those parties that are entitled to notice and the whereabouts of those entitled to notice but who were served only by publication. The Commission finds the process to be proper and has jurisdiction over the subject matter and the parties.

4. Amendment: None.

5. Reconciliation of Conflicting Nomenclature or Spacing: Order No. 216267 should be amended so as to delete said Section 19, Township 28 North, Range 18 West of the IM, Woods County, Oklahoma, from the purview of the Mississippi common source of supply and to vacate the 640-acre drilling and spacing unit previously formed by such Order for such common source of supply in such lands. The Applicants request that the Mississippi common source of supply be vacated and spaced as the Mississippian common source of supply in order to attain uniform spacing nomenclature in the area.

6. Relief Requested: A drilling and spacing unit should be created for the common sources of supply and land as set forth in "Relief Granted" below. The manner in which said unit is to be created, as well as the depth, classification of production, size of said unit and the well location are also set forth in "Relief Granted" below.

7. Relief Granted:

a. Previous Orders Vacated, Amended or Reformed: Order No. 216267 should be amended so as to delete said Section 19, Township 28 North, Range 18 West of the IM, Woods County, Oklahoma, from the purview of the Mississippi common source of supply and to vacate the 640-acre drilling and spacing unit previously formed by such Order for such common source of supply in such lands. The Applicants request that the Mississippi common source of supply be vacated and spaced as the Mississippian common source of supply in order to attain uniform spacing nomenclature in the area.

b. The following lands are underlain by the common sources of supply designated and therefore the following drilling and spacing unit is hereby extended as follows:

<u>Common Source of Supply</u>	<u>Classification and Depth</u>	<u>Unit Size</u>	<u>Order Extended</u>
Tonkawa	GGC/4715	640-acre	146316
Lansing-Kansas City (also known as the Missourian)	GGC/4788	640-acre	146316
Cherokee (also known as the Red Fork)	GGC/5491	640-acre	146316

underlying the following described land, to wit:

Section 19, Township 28 North, Range 18 West of the IM, Woods County, Oklahoma.

c. The following lands are underlain by the common sources of supply designated and therefore the following drilling and spacing unit is hereby established as follows:

<u>Common Source of Supply</u>	<u>Classification and Depth</u>	<u>Unit Size</u>	<u>Order Extended</u>
Big Lime	GGC/5337	640-acre	Establish
Mississippian	GGC/5596	640-acre	Establish

underlying the following described land, to wit:

Section 19, Township 28 North, Range 18 West of the IM, Woods County, Oklahoma.

d. Form and Shape of Unit: The 640-acre unit established hereby shall consist of a governmental section.

e. Location of Unit Well: The unit well for said 640-acre unit shall be located no closer than 1320 feet from the unit boundary.

f. No more than one well shall hereafter be produced from said common sources of supply named above on the drilling and spacing unit established hereby and the permitted well on said drilling and spacing unit established hereby shall be drilled only at the location thereon as prescribed above, unless the Commission, prior to the drilling of said well, shall have authorized a well location exception therefor in accordance with Okla. Stat. tit. 52, Section 87.1.

g. Map Attached: Attached to this Order is Exhibit A, a plat indicating the information required by statute.

8. Conclusion: The relief requested is necessary to prevent or to assist in preventing the various types of waste of oil or gas prohibited by statute, or any of said wastes, and to protect or assist in protecting the correlative rights of interested parties. Such requested relief, as set forth above, should be granted and IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA


DANA L. MURPHY, Chair



BOB ANTHONY, Vice Chairman



PATRICE DOUGLAS, Commissioner

DONE AND PERFORMED THIS 8 day of Dec 2011.

BY ORDER OF THE COMMISSION


PEGGY MITCHELL, Commission Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing findings and order are the report and recommendations of the Administrative Law Judge.

APPROVED:


Administrative Law Judge

DEC. 6, 2011
Date


Reviewer - Technical Department

Date

Approved as to form and content:

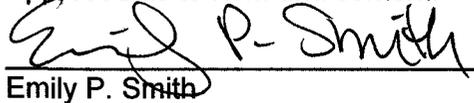
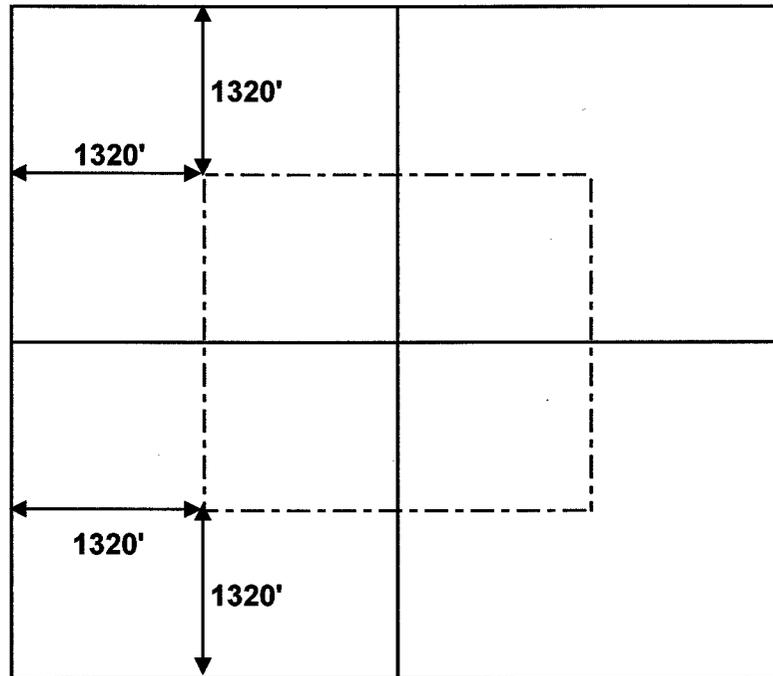

Emily P. Smith

EXHIBIT A - CD 201106036

WOODS COUNTY, OKLAHOMA

SECTION 19



TOWNSHIP 28
NORTH

RANGE 18 WEST OF THE IM

Common Source of Supply:

Tonkawa, Lansing-Kansas City (also known as the Missourian), Big Lime, Cherokee (also known as the Red Fork) and Mississippian

Unit Size:

640-acre governmental section consisting of Section 19, Township 28 North, Range 18 West of the IM, Woods County, Oklahoma

Permitted Well Location Tolerance:

no closer than 1320 feet from any exterior unit boundary (as depicted above)