

11-4

FILED
OCT 17 2019

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

APPLICANTS: CHESAPEAKE OPERATING, L.L.C. AND)
 CHESAPEAKE EXPLORATION, L.L.C.)
)
RELIEF SOUGHT: MULTIUNIT HORIZONTAL WELL)
)
LEGAL DESCRIPTION: SECTION 9 AND SECTION 16)
 TOWNSHIP 18 NORTH)
 RANGE 6 WEST OF THE IM)
 KINGFISHER COUNTY, OKLAHOMA)

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

Cause CD No.
201905153

APPLICATION

1. Parties:

1.1. Applicants herein are Chesapeake Operating, L.L.C. and Chesapeake Exploration, L.L.C., whose address for the purposes hereof is P.O. Box 54768, Oklahoma City, Oklahoma 73154-1768. The landman for Applicants is **Kate Ivey**, P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, Telephone: **(405) 935-4879**.

1.2. Applicants are each the owner of the right to drill a well into and produce hydrocarbons from the Oswego common source of supply underlying Section 9 and Section 16, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma.

1.3. The name and last-known address of each person or governmental entity, other than Applicants, currently having the right or claiming to have the right to participate in production from the common source of supply involved herein are set forth in Exhibit "A" attached hereto and made a part hereof. Each of the individuals named in Exhibit "A" is being made a respondent if living, and if any such individual is deceased, then the unknown heirs, executors, administrators, devisees, trustees and assigns, both immediate and remote, of such deceased individual are made respondents herein. Each of the entities listed in Exhibit "A" that is a partnership, corporation or other association is being made a respondent if such entity continues to have legal existence, and if any such entity is dissolved, then the unknown successors, trustees and assigns, both immediate and remote, of such dissolved entity are made respondents herein. Each of the parties designated as a trustee in Exhibit "A" is being made a respondent if presently acting in such capacity as trustee, and if any such party is not presently acting in such capacity as trustee, then the unknown successor or successors to such trustee are made respondents herein.

2. Allegations of Fact:

2.1. By Order No. 701786, dated September 5, 2019, the Commission formed a 640-acre horizontal drilling and spacing unit for Section 9, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma, for the Oswego common source of supply.

2.2. By Order No. 681962, dated August 23, 2018, the Commission formed a 640-acre horizontal drilling and spacing unit for Section 16, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma, for the Oswego common source of supply.

OKLA CORP COMM
 RECEIPT 2003620085
 Date: 10/17/2019 Time: 13:07
 Case: 201905153 CD Cashier: SSA
 Payor: CHESAPEAKE OPERATING
 Check: 592 \$200.00
 2019 O&G FILING FEE

2.3. Applicants have filed concurrently herewith location exception applications for the requested multiunit horizontal well.

2.4. The Oswego common source of supply in the lands covered hereby is a targeted reservoir under 52 O.S. Section 97.6, *et seq.* The top of the Oswego common source of supply is at an approximate depth of 6,398 feet. The Oswego common source of supply is potentially suited for development by a multiunit horizontal well in order to prevent waste and protect correlative rights of owners of oil and gas rights, and will likely aid in the full and efficient development of said Section 9 and said Section 16.

2.5. Applicants, as operator, are proposing to drill a multiunit horizontal well in the lands involved herein in the targeted reservoir covered hereby, with a portion of the completion interval to be located in one or more of the drilling and spacing units involved herein. Applicants are proposing to drill the multiunit horizontal well from the approximate anticipated surface location to the approximate anticipated subsurface locations as follows:

Surface location:

Will be specified in the final order to issue in this cause, but is currently proposed in the NE/4 of Section 9, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma,

Commencement of Completion Interval in Section 16:

No closer than 330 feet from the south line and no closer than 330 feet from the east line of the unit comprising Section 16, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma,

End of Completion Interval in Section 16:

No closer than 0 feet from the north line and no closer than 330 feet from the east line of the unit comprising Section 16, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma,

Commencement of Completion Interval in Section 9:

No closer than 0 feet from the south line and no closer than 330 feet from the east line of the unit comprising Section 9, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma,

End of Completion Interval in Section 9:

No closer than 330 feet from the north line and no closer than 330 feet from the east line of the unit comprising Section 9, Township 18 North, Range 6 West of the IM, Kingfisher County, Oklahoma,

and to complete such multiunit horizontal well in and to produce hydrocarbons from the Oswego common source of supply. Applicants are proposing to drill the multiunit horizontal well to a total measured depth of approximately 16,395 feet and are proposing to have a completion

interval in such multiunit horizontal well of approximately 9,988 feet. The proposed multiunit horizontal well is necessary in order to prevent waste and to protect correlative rights in the units involved herein.

2.6. The Commission should allocate to each of the affected units the reasonable drilling, completion and production costs associated with the multiunit horizontal well and the commingled production and proceeds from the completion interval of such multiunit horizontal well. Based upon the information now available, Applicants are proposing that the allocation factor for each of the affected units be determined by dividing the length of the completion of the multiunit horizontal well located in each affected unit by the entire length of the completion interval of such multiunit horizontal well. In the event the lateral of the multiunit horizontal well stays within the productive portion of the targeted reservoir throughout the drilling of such lateral, then Applicants anticipate that approximately 50% of the completion interval of such multiunit horizontal well will be located in said Section 9, and approximately 50% of such completion interval will be located in said Section 16, with the costs of and the production and proceeds from such multiunit horizontal well to be allocated between the affected units based on such percentages. The actual allocation of such costs, production and proceeds may vary depending upon the results of the multiunit horizontal well involved herein.

2.7. Attached hereto as Exhibit "B" and made a part hereof is a map showing the location of currently existing wells in each of the affected units covered hereby and the approximate currently anticipated location of the proposed multiunit horizontal well. Within the area around the lands covered hereby, there have been a few horizontal wells drilled. The results, quality and productivity of such horizontal wells have varied. The overall quality and productivity have not been fully determined. The results of the multiunit horizontal well involved herein will provide significant information concerning the quality and productivity of the reservoir in the lands covered hereby which will be used to determine whether additional horizontal wells are necessary within the lands involved herein for the full and efficient development and operation of the reservoir covered hereby.

2.8. In order to prevent waste, to protect correlative rights and to aid in the full and efficient development of each of the affected units covered hereby, which cannot be adequately and efficiently drained by a well drilled at the permitted well location prescribed in the orders listed in said paragraphs 2.1 and 2.2, the Commission should approve the multiunit horizontal well involved herein, including establishing the applicable allocation factor for allocating the costs of and the production and proceeds from such multiunit horizontal well to each of the affected units.

3. Legal Authority: The relief sought by this application is authorized by Tit. 52, Okla. Stat., Section 97.6 *et seq.*, OAC 165:5-7-6.2 and OAC 165:10-3-28.

4. Relief Sought: Applicants request the Corporation Commission of Oklahoma enter an order, to be effective as of the date of the execution thereof or as of a date prior thereto, as follows:

- (i) Approving a multiunit horizontal well for the Oswego common source of supply under the above-described units, so as to allow such multiunit horizontal well to be drilled as described in paragraph 2.5 above, and to

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be completed in and to produce from the above-named common source of supply, designating an operator for such well, and establishing a proper allocation factor for allocating the costs of and the production and proceeds from such multiunit horizontal well to each of the affected units; and

- (ii) Granting such other and further relief as may be proper based upon the evidence presented at the hearing herein.

Dated this 17th day of October 2019.

CHESAPEAKE OPERATING, L.L.C. and
CHESAPEAKE EXPLORATION, L.L.C.

Freda L. Williams, OBA 16338
P.O. Box 18496
Oklahoma City, OK 73154-0496
Physical address
6100 N. Western Avenue (73118)
(405) 935-9485
(405) 849-0002 (facsimile)
freda.williams@chk.com (email)
ATTORNEY FOR APPLICANTS

For more information regarding this Application, contact Kate Ivey, Chesapeake Operating, L.L.C., P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, Telephone: (405) 935-4879.

EXHIBIT "A"

1. Elly B. Beard 2007 Trust
c/o Elly B. Beard
12316 Saint Andrews Drive, Suite A
Oklahoma City, OK 73120
2. Blackacre Resources, LLC
P. O. Box 1534
Oklahoma City, OK 73101
3. Bobby's Piggy Bank, LLC
c/o Tim Bomhoff
516 Heritage Boulevard
Edmond, OK 73025
4. Bobby's Piggy Bank, LLC
P.O. Box 442
Okarche, OK 73762
5. Emma Louise Brown and Terry L. Brown
7409 Greentree Court
Amarillo, TX 79119
6. Russell G. Burton
10800 Sundance Drive
Yukon, OK 73099
7. W.A. Burton Trust
14961 E. 640 Road
Hennessey, OK 73742
8. W.A. Burton Trust
811 Lucinda Ln
Kingfisher, OK 73750
9. W.A. Burton Trust
c/o Russell Burton
10800 Sundance Drive
Yukon, OK 73099
10. Cash Land Properties, LLC
c/o Steve Gilliland
601 S. Cheyenne Street
Hennessey, OK 73742
11. Cash Land Properties, LLC
P.O. Box 283
Hennessey, OK 73742
12. Chisholm Oil & Gas Operating, LLC
6100 S. Yale Avenue, Suite 1700
Tulsa, OK 74316
13. Cimarex Energy Co.
202 S. Cheyenne Ave., Suite 1000
Tulsa, OK 74103
14. Crestwood Exploration, LLC
820 W. Danforth Road, Suite B-25
Edmond, OK 73003
15. Descendant's Single Trust
c/o Noel Allen Crosswhite
4108 Frontier Lane
Tuttle, OK 73089
16. The Paul and Ann Detwiler Revocable Trust
dated June 9, 2016
c/o Ann Detwiler
4308 NW 56th Terrace
Oklahoma City, OK 73112
17. DMS Reserves, LLC
P. O. Box 430
Fulton, CA 95439
18. The Episcopal Diocese for the State of
Oklahoma
924 N. Robinson Avenue
Oklahoma City, OK 73102
19. Kenneth R. Feagins Revocable Trust u/a
dated June 19, 2013
c/o Kenneth Ray Feagins
805 Parkside Road
Norman, OK 73702
20. Thomas B. Feagins
20162 N. 2810 Road
Kingfisher, OK 73750
21. Janice Fern Fry
19637 E. 670 Road
Hennessey, OK 73742
22. Ronald G. Fry
19651 E. 670 Road
Hennessey, OK 73742
23. Gastar Exploration, Inc
1331 Lamar Street, Suite 650
Houston, TX 77010

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|-----|---|-----|--|
| 24. | Gilliland Oil & Gas, Inc
P. O. Box 305
Hennessey, OK 73742 | 36. | Jack Franklin Haymaker
c/o Brandon Ray Haymaker
19436 E. 670 Road
Hennessey, OK 73742 |
| 25. | Janice Lea Gorrell
4466 W. County Road 66
Mulhall, OK 73063 | 37. | Jack Franklin Haymaker
c/o Billie Haymaker
9065 N. 2880 Road
Hennessey, OK 73742 |
| 26. | Diana Grassman and William D. Vawter
3955 E. Vaughn Avenue
Gilbert, AZ 85234 | 38. | Janie Haymaker AKA Jane Ann Haymaker
19090 E. 670 Road
Hennessey, OK 73742 |
| 27. | Eileen Grassmann
c/o Diana Vawter
3955 E. Vaughn Avenue
Gilbert, AZ 85234 | 39. | John Haymaker
8427 N. 2890 Road
Hennessey, OK 73742 |
| 28. | Freta Sue Grassman
1716 SE 1st Street
Oklahoma City, OK 73159 | 40. | Hill Energy, LLC
c/o Jerry L. Dennis
3809 E. 83rd Street
Tulsa, OK 74137 |
| 29. | Freta Sue Grassman
1716 SE 1st Street
Moore, OK 73160 | 41. | James Robert Hill a/k/a Robert Hill a/k/a Bob Hill
1510 S. 10th Street
Kingfisher, OK 73750 |
| 30. | Ilene Grassman a/k/a Ilene Grassmann
c/o Diana Vawter
3955 E. Vaughn Avenue
Gilbert, AZ 85234 | 42. | Janet Rae Hill Revocable Trust
c/o Kristopher Wayne Olson
3614 56th Avenue SW
Seattle, WA 98116 |
| 31. | F. H. Hartman Trust Dated 8-27-92
c/o Beverly Hartman
3120 NW 69th Street
Oklahoma City OK 73116 | 43. | Janet Rae Hill Revocable Trust
c/o Kristopher Wayne Olson
3704 W. Dravus Street
Seattle, WA 98199 |
| 32. | F.H. Hartman Trust B
c/o Beverly Hartman
3120 NW 69th Street
Oklahoma City, OK 73116 | 44. | Janet Rae Hill Revocable Trust
c/o Christopher Hill Hanson, 939 S. 10th Street
Kingfisher, OK 73750 |
| 33. | Roger Harwell
121 E. Sanderson Street
Crescent, OK 73028 | 45. | Brent Hodge and Jordan L. Hodge
516 E. Logan Avenue
Guthrie, OK 73044 |
| 34. | Alta Marie Haymaker
c/o Karen Anne Cox Haymaker
701 S. Main Street
Hennessey, OK 73742 | 46. | Brent Hodge and Jordan L. Hodge
P. O. Box 385
Guthrie, OK 73044 |
| 35. | Alta Marie Haymaker
c/o Billie Haymaker
9065 N. 2880 Road
Hennessey, OK 73742 | | |

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47. Isaacs Family LLP
c/o XTO Energy, Inc
22777 Springwoods Village Parkway
Spring, TX 77390
48. Cheryl L. Jennings
P. O. Box 261
Newalla, OK 74857
49. JIMA, LLC
1409 Little Horn Road
Edmond, OK 73034
50. T. Phillip Kierl and Susan Kierl
P. O. Box 12884
Oklahoma City, OK 73157
51. Barbie A. Kuehl
608 W. Matthews Street
El Reno, OK 73036
52. Leeman Energy Corp
P. O. Box 54555
Oklahoma City, OK 73154
53. Leeman Energy Corp
1900 NW Expressway, Suite 500
Oklahoma City, OK 73118
54. Thomas J. Leutkemeyer
P. O. Box 720420
Oklahoma City, OK 73172
55. Thomas J. Leutkemeyer
12409 Blue Sage Road
Oklahoma City, OK 73120
56. Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056
57. Rutheen Sue McCartney
707 E. Flynn Road
Waukomis, OK 73773
58. Yvonne Meritt
20545 SW 15th Street
Union City, OK 73090
59. The Merritt Family Trust Dated June 2, 2010
c/o Kay L. Merritt and Yvonne E. Meritt
20545 SW 15th Street
Union City, OK 73090
60. Blake Mitchell
4701 S. Czech Hall Road
Mustang, OK 73064
61. Blake Mitchell
P.O. Box 385
Guthrie, OK 73044
62. Sherril M. Mitchell
P. O. Box 136
Mullhall, OK 73063
63. Murray Street Investments, LLC
11653 Thistle Hill Place
San Diego, CA 92130
64. Oklahoma Energy Acquisitions, LP
15415 Katy Freeway, Suite 800
Houston, TX 77094
65. Orchid AD3, LLC
2100 Ross Avenue, Suite 1870 LB-9
Dallas, TX 75201
66. Helen M. Patocka Living Trust dated January
24, 1997
c/o Helen M. Patocka
22637 State Highway 51
Hennessey, OK 73742
67. PEC Minerals, LP
c/o Providence Energy
16400 North Dallas Parkway, Suite 400
Dallas, TX 75248
68. Amber Perigo
214N. 7th Street
Enid, OK 73701
69. Amber Perigo
2071 NE Stephens St, unit A21
Roseburg, OR 97470
70. David Lee Perigo
2906 W. Bison Road
Bison, OK 73720
71. Mary Perigo
c/o David Perigo
2906 W. Bison Road
Bison, OK 73720

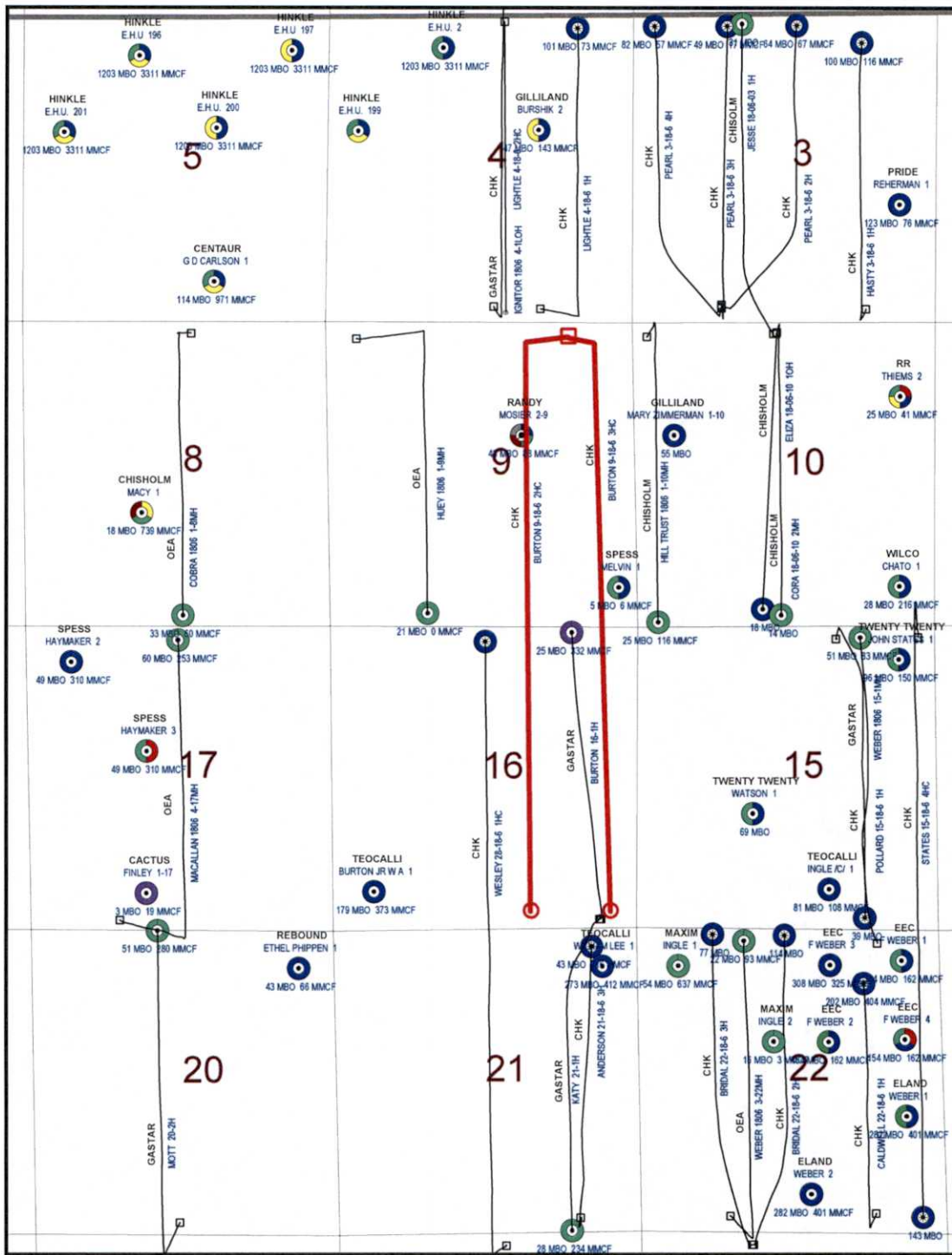
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- | | | | |
|-----|--|-----|---|
| 72. | Barry L. Pollard
102 S. Van Buren Street, Apt 2
Enid, OK 73703 | 85. | Teocalli Exploration, LLC
6608 N. Western Avenue, #404
Oklahoma City, OK 73116 |
| 73. | Barry L. Pollard Revocable Trust
102 S. Van Buren Street, Apt 2
Enid, OK 73703 | 86. | Tip Oil Co., LLC
P. O. Box 720420
Oklahoma City, OK 73172 |
| 74. | James L. Pontious
508 W. 2nd Street
Pittsburg, KS 66762 | 87. | Tip Oil Co., LLC
c/o Thomas Luetkemeyer
12409 Blue Sage Road
Oklahoma City, OK 73120 |
| 75. | Mary A. Pontious
c/o James L. Pontious
508 W. 2nd Street
Pittsburg, KS 66762 | 88. | Cindy L. Trebes f/k/a Cindy L. Jennings
2430 Nichols Drive
Choctaw, OK 73020 |
| 76. | Jim Calvin Pope, Jr.
1901 Park Manor Court
Euless, TX 76039 | 89. | Turk Prodigy, LLC
32002 100th Street
Paoli, OK 73074 |
| 77. | Quail Creek Royalty, LLC
c/o XTO Energy, Inc
22777 Springwoods Village Parkway
Spring, TX 77391 | 90. | Turk Prodigy, LLC
c/o Michael Johnson
32003 100th Street
Paoli, OK 73074 |
| 78. | Rumble Minerals, LLC
3200 Quail Springs Parkway, Suite 210
Oklahoma City, OK 73134 | 91. | Turk Prodigy, LLC
P.O. Box 12884
Oklahoma City, OK 73157 |
| 79. | Louis Ray Sloan
c/o Edith E. Sloan
1821 E. Cedar Avenue
Enid, OK 73701 | 92. | The University of Oklahoma Foundation, Inc
100 Timberdell Road
Norman, OK 73019 |
| 80. | Spess Oil Company
200 S. Broadway Street
Cleveland, OK 74020 | 93. | Weaver Energy Corp
600 N. Cheyenne Street
Hennessey, OK 73742 |
| 81. | St. Mary's Episcopal Church of Edmond
325 E. First Street
Edmond, Ok 73034 | 94. | Weaver Energy Corp
522 N. Oak Street
Hennessey, OK 73742 |
| 82. | Staghorn Petroleum, LLC
One W. 3rd Street, Suite 1000
Tulsa, OK 74103 | 95. | Tony L. Weaver and Lisa A. Weaver
522 N. Oak Street
Hennessey, OK 73742 |
| 83. | Patricia Pope Strieber
P. O. Box 203312
Austin, TX 78720 | 96. | Tony L. Weaver and Lisa A. Weaver
600 N. Cheyenne Street
Hennessey, OK 73742 |
| 84. | Patricia Pope Strieber
9705 Queensland Drive
Austin, TX 78729 | | |

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97. Judy D. Whipple Living Trust dated January
19, 2010
c/o Judy D. Whipple
320 W. Toronto Avenue
Kingfisher, OK 73750
98. XTO Energy, Inc
22777 Springwoods Village Parkway
Spring, TX 77389
99. Mary Lucille Haymaker
c/o Jane Ann Haymaker
19090 E. 670 Road
Hennessey, OK 73742
100. Jacklyn Haymaker Roberts
509 Phillips Drive
Dumas, TX 79029

IF ANY NAMED PERSON IS DECEASED, THEN THE KNOWN OR UNKNOWN HEIRS, EXECUTORS, ADMINISTRATORS, TRUSTEES, DEVISEES, AND ASSIGNS, IMMEDIATE AND REMOTE OF SUCH DECEDENT, ARE MADE RESPONDENTS TO THIS APPLICATION. IF ANY NAMED RESPONDENT IS A CORPORATION WHICH DOES NOT CONTINUE TO HAVE LEGAL EXISTENCE, THEN THE KNOWN OR UNKNOWN SUCCESSORS, TRUSTEES OR ASSIGNS, IF ANY OF SUCH ENTITY, ARE MADE RESPONDENTS TO THIS APPLICATION.



Production Map-1G

SEC 9&16-18N-6W

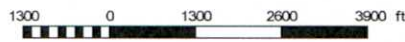
Kingfisher Co, OK

201905153 MU (Sec 9&16)

201905154 LE (Sec 9)

201905155 LE (Sec 16)

Production information is provided for only those active wells that are producing from (or have been completed in) the common source(s) of supply listed on the application.



WELL INFORMATION LEGEND

**CURRENT OPERATOR
WELL NAME & NUMBER**

Oil Cum (MBO) Gas Cum (MMCF)

- Red Fork/Skinner
- Miss/Meramec
- Hunton
- Manning
- Oswego/Biglime
- Viola
- Wilcox