

Chesapeake Agrees to Pay \$25 Million to Settle Michigan's Charges

Chesapeake Energy has agreed to a \$25 million civil settlement with Michigan to settle claims by the state that the Oklahoma City-based producer conspired with another exploration-and-production company to fix bids in oil and gas lease sales in the state in 2010, according to a report in *Platts*.

The settlement resolves allegations that Chesapeake "had conspired with Calgary-based Encana Oil & Gas to avoid bidding wars against each other in Michigan public auctions for oil and gas leases that caused lease prices to plummet in October 2010," Michigan Attorney General Bill Schuette said in a statement announcing the settlement.

Platts says the settlement also addresses complaints that Chesapeake defrauded hundreds of private citizens by fraudulently canceling their oil and gas leases in 2010.

Read the story.