

**BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA**

APPLICANT: BRAVO ARKOMA, LLC

RELIEF SOUGHT: MULTIUNIT HORIZONTAL WELL

LEGAL DESCRIPTION: SECTION 2, TOWNSHIP 8
NORTH, RANGE 11 EAST AND SECTION 35,
TOWNSHIP 9 NORTH, RANGE 11 EAST, HUGHES
COUNTY, OKLAHOMA

CAUSE CD NO.

201807826-T

ORDER NO.

705143

FINDINGS AND ORDER

1. **Hearing Date and Place:** 8:30 a.m., 16th day of October, 2018, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma, 74127. The Cause was reopened to correct testimony on the 22nd day of April, 2019, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma, 74127. The Cause was reopened for introduction of the bottom hole survey on the 11th day of February, 2019, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma, 74127. The Cause was reopened to submit a corrected isopach on the 9th day of August, 2019, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma, 74127. The Cause was reopened to submit a corrected exhibit on the 13th day of September, 2019, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma, 74127.
2. **Appearances:** Ron M. Barnes and Grayson Barnes, Attorneys, appeared for the Applicant, Bravo Arkoma, LLC. No protests were announced at hearing and the Cause was heard uncontested.
3. **Companion Cause(s):** Well Location Exception Cause CD No. 201807827-T.
4. **Previous Order(s):** Interim Findings and Order No. 701526 issued on the 30th day of August, 2019. The authorization and permission granted in this order shall supersede the authorization and permission granted in Order No. 701526.
5. **Notice and Jurisdiction:** Notice has been given as required and the Commission has jurisdiction of the subject and persons.
6. **Amendment:** At hearing the well location was amended to an exact location, the completion interval was amended to an exact footage and percentage.
7. **Relief Requested:** The well has been drilled and Applicant requests that Bravo Arkoma, LLC be permitted to continue to prudently operate a multiunit horizontal well on the 640-acre and 640-acre horizontal units for the Targeted Reservoir described hereinafter with the allocation of costs and production set forth below:

| SECTION | LENGTH OF COMPLETION INTERVAL | ALLOCATION OF COSTS AND PRODUCTION |
|---------|-------------------------------|------------------------------------|
| 2 | 5,066' | 50.37% |
| 35 | 4,992' | 49.63% |
| | TOTAL 10,058' | 100.00% |

8. **Reason Relief Should Be Granted:** Applicant will save in excess of \$2,000,000 by not having to drill a second vertical hole or construct the associated second location, surface facilities and hard line connection. Additionally, the Caney and Mississippian common sources of supply are approximately the same thickness and quality across each of the affected units and allocation of costs and production based upon percent of completion interval within each unit is fair and reasonable.

9. **Relief Granted:** The well location is granted; the well must be situated:

| | <u>Measured Depth</u> | <u>Vertical Depth</u> | <u>North/South Location</u> | <u>East/West Location</u> | <u>Unit Boundary</u> |
|--------------------|-----------------------|-----------------------|-----------------------------|---------------------------|----------------------|
| Surface Location | - | - | 580' FNL | 207' FEL | Sec 10-8N-11E |
| First Perforation | 4,800' | 4,298' | 187' FSL | 658' FWL | Sec 2-8N-11E |
| Crossed Section 35 | 9,866' | 4,249' | 0' FSL | 378' FWL | Sec 35-9N-11E |
| Last Perforation | 14,858' | 4,045' | 307' FNL | 389' FWL | Sec 35-9N-11E |

The Caney and Mississippian common sources of supply in the lands covered hereby are targeted formations. The top of the Caney common source of supply is found at approximately 4,375 feet in Section 2 and the top of the Mississippian common source of supply is found at approximately 4,000 feet in Section 35. The Caney and Mississippian separate common sources of supply covered hereby constitute a Targeted Reservoir under 52 O.S. §87.6.

The multiunit well will be for the Targeted Reservoir described above and subject to the following spacing order and will be the well for the 640-acre unit for the following:

Section 2, Township 8 North, Range 11 East, Hughes County, Oklahoma

| <u>Common Source Of Supply</u> | <u>Exception to Order No.</u> |
|--------------------------------|-------------------------------|
| Caney | 530078 |

The multiunit well will be for the Targeted Reservoir described above and subject to the following spacing order and will be the well for the 640-acre horizontal unit for the following:

Section 35, Township 9 North, Range 11 East, Hughes County, Oklahoma

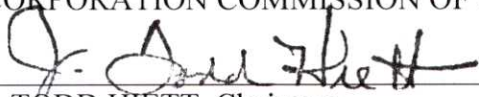
| <u>Common Source Of Supply</u> | <u>Exception to Order No.</u> |
|---|--|
| Mississippian | 665769 |

Attached hereto as Exhibit "A" and made a part hereof is a map showing the location of each currently existing well in each of the affected units covered hereby and the location of the multiunit horizontal well involved herein.

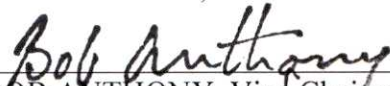
- Allocation of Costs and Production:** That the allocation factor for each of the affected 640-acre and 640-acre horizontal units involved herein shall be determined by dividing the length of the completion interval of the multiunit horizontal well involved herein located in each such affected unit by the entire length of the completion interval of such multiunit horizontal well. The well has been drilled and the lateral of the multiunit horizontal well involved herein stayed within the productive portion of the Caney and Mississippian common sources of supply throughout the drilling of such lateral, therefore 50.37% of the completion interval of such multiunit horizontal well is located in Section 2, and 49.63% of such completion interval is located in Section 35. The cost of and the production and proceeds from such multiunit horizontal to be allocated between the affected units involved herein based on such percentages.
- Special Provisions:** That the entire length of the lateral has been cemented such that the perforations are isolated from the beginning and end point of the lateral.

The multiunit horizontal well, in accordance with the foregoing, is necessary to prevent waste and to protect correlative rights. The well has been drilled and Bravo Arkoma, LLC shall be permitted to continue to prudently operate a well as set out herein and IT IS SO ORDERED.

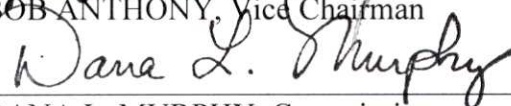
CORPORATION COMMISSION OF OKLAHOMA



J. TODD HIETT, Chairman



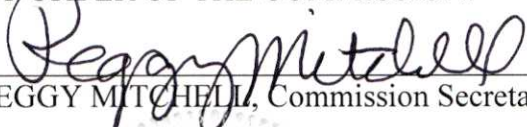
BOB ANTHONY, Vice Chairman



DANA L. MURPHY, Commissioner

DONE AND PERFORMED this 13 day of Nov., 2019.

BY ORDER OF THE COMMISSION:

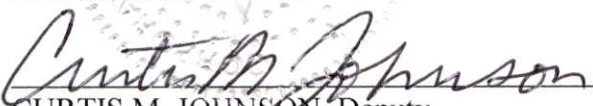


PEGGY MITCHELL, Commission Secretary

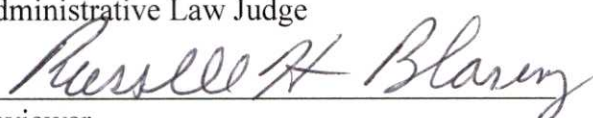
REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing Findings and Order is the report and recommendation of the Administrative Law Judge.

APPROVED:

 9-17-19

CURTIS M. JOHNSON, Deputy
Administrative Law Judge Date

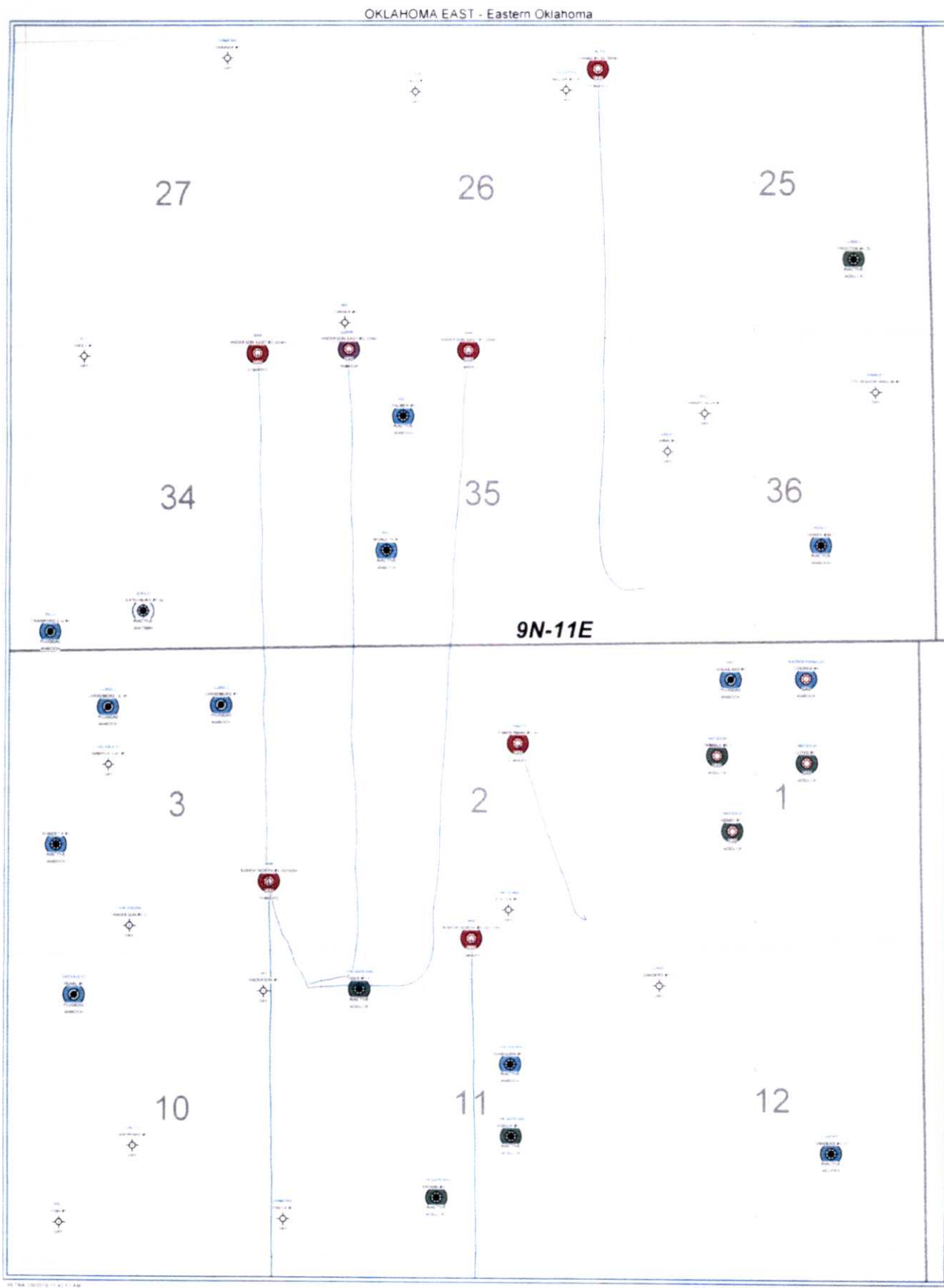
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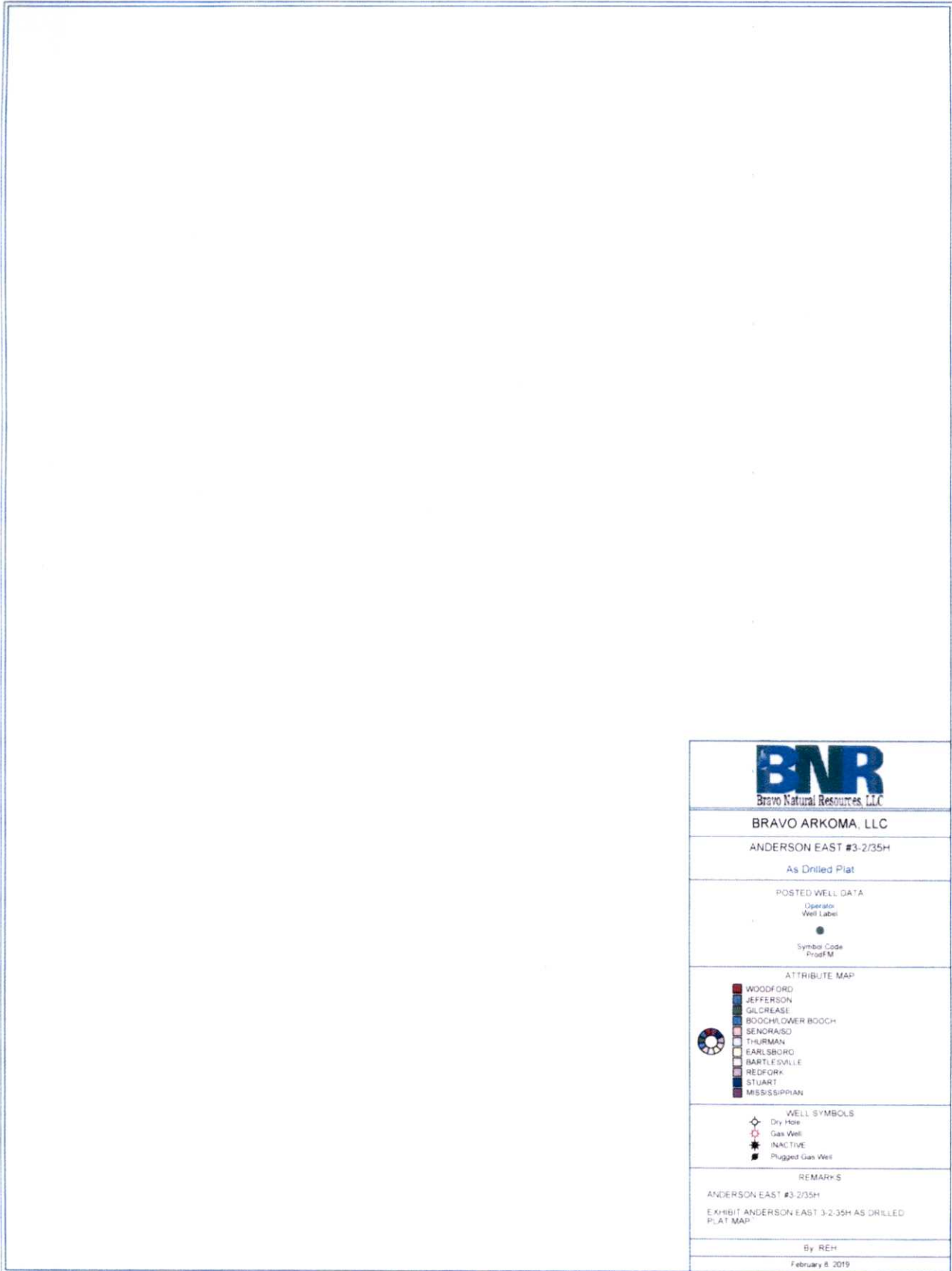
Reviewer Date




APPROVED AS TO CONTENT
AND FORM



RON M. BARNES, OBA #534
GRAYSON BARNES, OBA #31475





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|---|--|
|  | |
| BRAVO ARKOMA, LLC | |
| ANDERSON EAST #3-2/35H | |
| As Drilled Plat | |
| POSTED WELL DATA | |
| Operator: | Well Label: |
| | ● |
| Symbol Code: | Prod/M: |
| | |
| ATTRIBUTE MAP | |
|  | WOODFORD JEFFERSON GILCREASE BOOCH/LOWER BOOCH SENORAISO THURMAN EARLSBORO BARTLESVILLE REDFORK STUART MISSISSIPPIAN |
| WELL SYMBOLS | |
|  | Dry Hole Gas Well INACTIVE Plugged Gas Well |
| REMARKS | |
| ANDERSON EAST #3-2/35H EXHIBIT ANDERSON EAST 3-2-35H AS DRILLED PLAT MAP | |
| By REH | |
| February 8, 2019 | |