

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

APPLICANT:	TAPSTONE ENERGY, LLC)	
)	
RELIEF SOUGHT:	MULTIUNIT HORIZONTAL WELL)	Cause CD No.
)	201901035
)	
LEGAL DESCRIPTION:	SECTIONS 18 AND 7)	
	TOWNSHIP 19 NORTH)	Order No.
	RANGE 17 WEST OF THE IM)	
	DEWEY COUNTY, OKLAHOMA)	705144

FINAL ORDER OF THE COMMISSION

1. **Hearing Date and Place:** The captioned cause initially came on for hearing on March 12, 2019, before an Administrative Law Judge for the Corporation Commission of Oklahoma for the purpose of taking testimony and reporting findings and recommendations of the Commission. After hearing the arguments of counsel and considering all the facts, evidence and testimony presented in the captioned cause, the Administrative Law Judge recommended that an interim order issue in said cause, which Interim Order No. 693923, issued on April 2, 2019. Thereafter, on August 13, 2019, said Cause came on for hearing for presentation of additional evidence concerning the completion interval and bottom hole location and for issuance of the final order in said Cause.

2. **Appearances:** Emily P. Smith, attorney for Applicant, Tapstone Energy, LLC. No other appearances or protests were filed or announced.

Findings

3. **Companion Causes:** CD No. 201901036 (Well Location Exception)

4. **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 first-class mail. An adjudicative inquiry was conducted by the Administrative Law Judge into the sufficiency of the search to ascertain the names and addresses of all owners, and if a diligent effort had been made to locate all affected interest owners. The Commission finds that the Applicant has 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 Applicant gave notice as required, the Commission approves the notice given by mail and publication, and the Commission has jurisdiction over the subject matter and the parties.

5. **Amendments:** The Application is amended to delete all "no closer than" language and to conform the footages and depths as requested in Paragraph 7 herein.

6. **Relief Requested:** Applicant requests this Commission enter an order, to be effective as of the date of execution thereof, providing as follows:

- (a) Approving a multiunit horizontal well for the Mississippian common source of supply, said multiunit horizontal well to be drilled under the below-described drilling and spacing units at the location described below, and to be completed and produce hydrocarbons from the common source of supply involved herein, and establishing a proper allocation factor for allocating costs of and the production and proceeds from such multiunit horizontal well to each of the affected units; and
- (b) Granting such other and further relief as may be proper based upon the evidence presented in the hearing herein.

7. Reason Relief should be Granted: The Mississippian common source of supply is optimally developed on a multiunit basis. Further, the evidence showed that by drilling a multiunit horizontal well, Applicant will recover hydrocarbons that otherwise would not be recovered, specifically the additional lateral that will be drilled through the shared section line. The multiunit horizontal well involved herein is necessary to prevent waste and to protect correlative rights in the units involved herein, and will aid in the development of each of the affected units.

The well must be situated:

Surface location:

475 feet from the north line and 2,000 feet from the west line of the unit comprising Section 19, Township 19 North, Range 17 West of the IM, Dewey County, Oklahoma,

Location of the Wellbore at Completion Interval in Section 18:

The completion interval is 169 feet from the south line and 804 feet from the west line at a measured depth of 11,943 feet and 83 feet from the north line and 847 feet from the west line at a measured depth of 16,945 feet, of the unit comprising said Section 18, Township 19 North, Range 17 West of the IM, Dewey County, Oklahoma,

Location of the Wellbore at Completion Interval in Section 7:

The completion interval is 230 feet from the south line and 850 feet from the west line at a measured depth of 17,258 feet and 2,386 feet from the south line and 857 feet from the west line at a measured depth of 19,415 feet, of the unit comprising said Section 7, Township 19 North, Range 17 West of the IM, Dewey County, Oklahoma,

Bottom hole at a Measured Depth of 19,415 feet:

2,386 feet from the south line and 857 feet from the west line of the unit comprising said Section 7, Township 19 North, Range 17 West of the IM, Dewey County, Oklahoma,

and will be a well for the Mississippian common source of supply in the irregular 643.68-acre drilling and spacing unit underlying Section 18, as spaced by Order No. 651262, and in the irregular 642.4-acre drilling and spacing unit underlying Section 7, as spaced by Order No. 657193.

The well herein is partially cased and cemented. It is cased, cemented and perped as shown above. However the casing at the endpoint of the lateral of the horizontal well covered hereby does not have cement and as such is considered openhole at that point.

8. Allocation Factor: Testimony was presented showing the below final percentages for the allocation factor in each affected Section. As such, costs and production and proceeds shall be allocated accordingly.

Completion length:	7,472 feet;
Completion interval in said Section 18:	5,085 feet;
Completion interval in said Section 7:	2,387 feet;
Completion interval percent in Section 18:	68.054069%;
Completion interval percent in Section 7:	31.945931%;

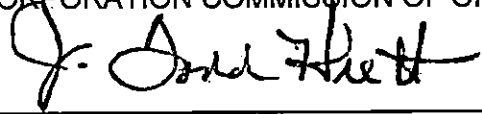
9. Previous Orders: Emergency Order No. 694000 and Interim Order No. 693923.

Order

IT IS THE ORDER OF THE COMMISSION that the relief requested in the Application, as modified above, is necessary to ensure the greatest ultimate recovery of hydrocarbons from the above-mentioned common source of supply, prevent or assist in preventing waste, and protect correlative rights of interested parties.

The relief set forth in the Application, as modified above, is granted.

CORPORATION COMMISSION OF OKLAHOMA



J. TODD HIETT, Chairman



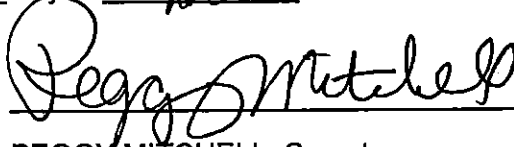
BOB ANTHONY, Vice Chairman



DANA L. MURPHY, Commissioner

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 13 day of Nov. 2019.



PEGGY MITCHELL, Secretary



REPORT OF THE ADMINISTRATIVE LAW JUDGE

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

APPROVED:

Sean Dentz
Administrative Law Judge

8/23/19
Date

Murcell H. Blasing
Reviewer

11/16/19
Date

This Order follows the format and contains all elements set forth in the Judicial and Legislative Services Form Order for this type of Cause. The undersigned attorney affirms (1) said attorney has read this Order and (2) this Order is true, correct and approved as to form and content.

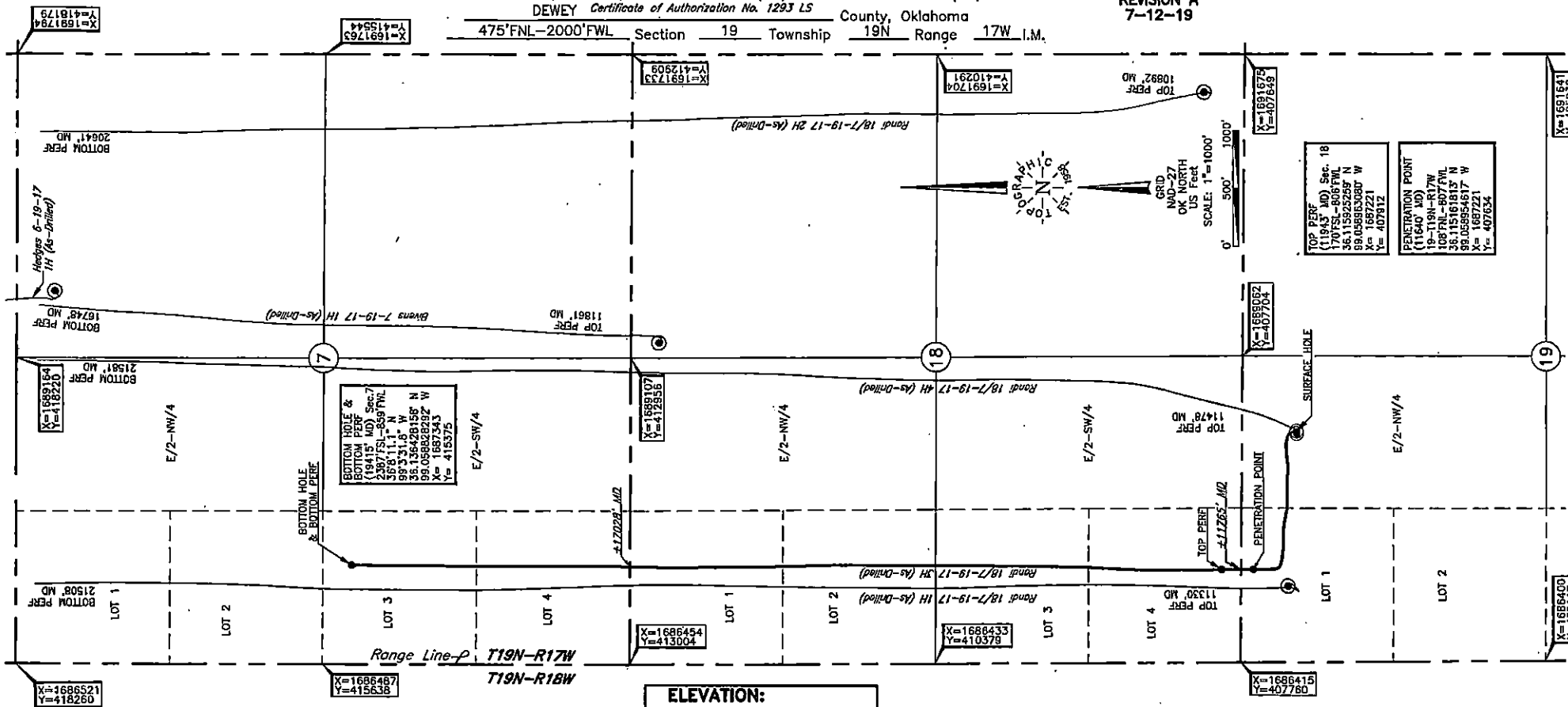
Emily P. Smith
Emily P. Smith

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 • LOCAL (405) 843-4847 • OUT OF STATE (800) 654-3219
 DEWEY Certificate of Authorization No. 1293 LS

REVISION A
 7-12-19

475'FNL-2000'FWL Section 19 Township 19N Range 17W I.M.



ELEVATION:
 1951' Gr. of Stake

Operator: TAPSTONE ENERGY
 Lease Name: RANDI 18/7-19-17 Well No.: 3H
 Topography & Vegetation LOC. FELL IN ROLLING PASTURE
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set NONE
 Best Accessibility to Location FROM WEST OFF COUNTY ROAD
 Distance & Direction FROM JCT. US HWY. 281 AND ST. HWY. 51 IN SEILING, OK, GO ±7.7 MILES WEST ON HWY 51/US HWY 60, THEN ±2 MILES SOUTH TO THE NW COR. OF SEC. 19-T19N-R17W

DATUM: NAD-27
 LAT: 36°06'50.8" N
 LONG: 99°03'17.7" W
 LAT: 36.114120932° N
 LONG: 99.054909511° W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1688411
 Y: 407242

This information was collected with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

Date of Drawing: July 05, 2019 ST/RT
 Project # 124003A Date Staked: Dec. 13, 2018

FINAL AS-DRILLED PLAT

AS-DRILLED INFORMATION
 FURNISHED BY TAPSTONE ENERGY