

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

APPLICANT: CHISHOLM OIL AND GAS OPERATING,
LLC

RELIEF SOUGHT: WELL LOCATION EXCEPTION

LEGAL DESCRIPTION: SECTION 31,
TOWNSHIP 18 NORTH, RANGE 10 WEST,
BLAINE COUNTY, OKLAHOMA

CAUSE CD NO.

201901370-T

ORDER NO.

705146

**FINAL ORDER OF THE COMMISSION
HORIZONTAL WELL LOCATION EXCEPTION**

This order follows the format and contains all elements set forth in the Judicial & Legislative Services form order.

1. **Hearing Date and Place:** This Cause initially came on for hearing on the 25th day of March, 2019, before Curtis M. Johnson, Administrative Law Judge at the Kerr Office Bldg., 440 South Houston, Suite 114, Tulsa, Oklahoma regarding the above-styled Cause. 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.

Thereafter, this Cause came on for hearing for a final order before Curtis M. Johnson, Administrative Law Judge, on the 16th day of September, 2019, at 8:30 a.m., regarding the above-styled Cause, at the Kerr Office Bldg., 440 South Houston, Suite 114, Tulsa, Oklahoma.

2. **Appearances:** Ron M. Barnes and Grayson Barnes, Attorneys, appeared for the Applicant, Chisholm Oil and Gas Operating, LLC. No protests were announced at hearing and the Cause was heard uncontested.

FINDINGS

3. **Companion Cause:** Increased Well Density Cause CD No. 201901371-T, Order No. 695012.
4. **Notice and Jurisdiction:** Notice has been given by publication as required by Commission Rules and Affidavits of Publication have been filed. Those Respondents whose names and addresses were attainable have been given actual notice by first-class mail pursuant to Commission rules. 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 by publication, and the Commission has jurisdiction of the subject matter and parties.

5. **Amendments:** At hearing the well location was amended to an exact location. The well was completed as a cased and cemented hole.
6. **Relief Requested:** The well has been drilled and Applicant requests that Chisholm Oil and Gas Operating, LLC be permitted to continue to prudently operate a well at the location shown in "Relief Requested" herein for the following common source of supply described as an exception to the spacing order listed below.

Location	Order No.	Unit Size-Acres	Common Source(s) of Supply
Section 31, Township 18 North, Range 10 West, Blaine County, Oklahoma	111424	640-acre	Mississippi Lime

Location of Well:

	<u>Measured Depth</u>	<u>Vertical Depth</u>	<u>North/South Location</u>	<u>East/West Location</u>	<u>Unit Boundary</u>
Surface Location	-	-	200' FNL	330' FEL	Sec 6-17N-10W
First Perforation	9,510'	9,271'	365' FSL	384' FEL	Sec 31-18N-10W
Last Perforation	13,600'	9,191'	844' FNL	365' FEL	Sec 31-18N-10W

7. **Reason Relief Should Be Granted:** The requested relief for Chisholm Oil and Gas Operating, LLC to be permitted to continue to prudently operate a well at the location shown in "Relief Requested" herein should be granted, as modified herein. The location is necessary to maximize the length of the lateral to reduce the risk of an uneconomic well and to move closer to the unit boundary to drain that portion of the reservoir in the unit that cannot be drained from a legal location. That the well location exception in accordance with the foregoing is necessary to prevent waste and to protect the correlative rights.
8. **Allowable:** The allowable being requested for the well shall be 100% of a normal allowable for the common source of supply covered hereby, at the above location.
9. **Previous Orders:** Interim Findings and Order No. 698389 issued the 26th day of June, 2019. The authorization and permission granted in this order shall supersede the authorization and permission granted in Order No. 698389.

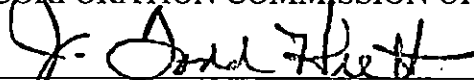
10. **Special Findings:** The entire length of the lateral has been cemented such that the perforations are isolated from the beginning and end point of the lateral in order to protect the correlative rights of the offset units.

ORDER


11. 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 requested in the Application, as modified above, is granted.

CORPORATION COMMISSION OF OKLAHOMA



J. TODD HIETT, Chairman



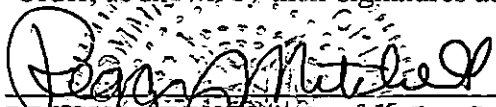
BOB ANTHONY, Vice Chairman



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, Commission Secretary

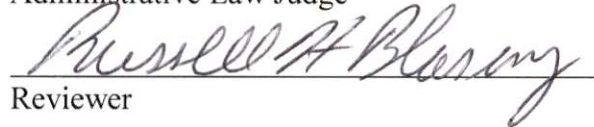
REPORT OF THE ADMINISTRATIVE LAW JUDGE

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

APPROVED:



CURTIS M. JOHNSON, DEPUTY
Administrative Law Judge

9-20-19
Date


Reviewer

11/6/19
Date

This order follows the format and contains all elements set forth in the Judicial & 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.


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