

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

APPLICANT: CIMAREX ENERGY CO.

RELIEF SOUGHT: WELL LOCATION EXCEPTION
(PART OF A MULTIUNIT HORIZONTAL WELL)

LEGAL DESCRIPTION: SECTIONS 16 AND 21,
TOWNSHIP 13 NORTH, RANGE 8 WEST,
CANADIAN COUNTY, OKLAHOMA

CAUSE CD NO.

201806544-T

ORDER NO.

705173

**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 4th day of September, 2018, 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, Deputy Administrative Law Judge, on the 26th day of August, 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, Cimarex Energy Co. No protests were announced at hearing and the cause was heard uncontested.

FINDINGS

3. **Companion Causes:** Multiunit Horizontal Well Cause CD No. 201806543-T; Increased Well Density Cause CD Nos. 201806545-T, Order No. 685196 and 201806547-T, Order No. 685198; Separate Allowable Cause CD Nos. 201806546-T, Order No. 68597 and 201806548-T, Order No. 685199; and Exception of OAC 165:10-3-28 Cause CD No. 201806549-T.
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 and the completion interval was amended to an exact footage.
6. **Relief Requested:** The well has been drilled and Applicant requests that Cimarex Energy Co. 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 orders listed below.

Location	Order No.	Unit Size-Acres	Common Source(s) of Supply
Section 16, Township 13 North, Range 8 West, Canadian County, Oklahoma	573322	640-acre	Woodford
Section 21, Township 13 North, Range 8 West, Canadian County, Oklahoma	179118		

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' FSL	600' FWL	Sec 21-13N-8W
First Perforation	11,332'	11,210'	402' FSL	667' FWL	Sec 21-13N-8W
North Line of Section 21/South Line of Section 16	16,303'	11,151'	0' FNL	666' FWL	Sec 21-13N-8W
Last Perforation	21,350'	11,087'	251' FNL	679' FWL	Sec 16-13N-8W

7. **Reason Relief Should Be Granted:** The requested relief for Cimarex Energy Co. to be permitted to continue to prudently operate a well at the location shown in "Relief Requested" herein should be granted, as modified herein. Applicant will save approximately \$2,000,000 by not having to drill a second vertical hole or construct the associated second location, surface facilities and hard line correction. Additionally, the location is necessary to maximize the lateral allowing Applicant to drill a multiunit lateral 10,018 feet in length across Sections 16 and 21 thus ensuring the well will drain closer to

- the common unit boundary. 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 all common sources of supply covered hereby, at the above location.
 9. **Previous Orders:** Interim Findings and Order No. 688741 issued the 21st day of December, 2018. The authorization and permission granted in this order shall supersede the authorization and permission granted in Order No. 688741.
 10. **Cementing:** 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.
 11. The Woodford common source of supply in the lands covered hereby is a targeted reservoir as designated in Multiunit Horizontal Well Cause CD No. 201806543-T.
 12. **Special Findings:** There is a proposed well to be drilled at approximately 170 feet from the east line in Sections 17 and 20, Township 13 North, Range 8 West, Canadian County, Oklahoma which will protect correlative rights.

ORDER

13. 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



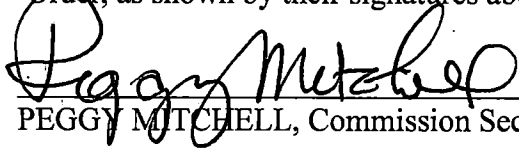
BOB ANTHONY, Vice Chairman



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 14 day of November, 2019.


PEGGY MITCHELL, Commission Secretary

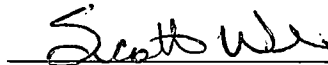
REPORT OF THE ADMINISTRATIVE LAW JUDGE

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

APPROVED:



CURTIS M. JOHNSON, DEPUTY
Administrative Law Judge

8-30-19
Date


Reviewer

11/1/19
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