

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

D.O. 11/12/81 P.D.
11/16/81

APPLICANT: HELMERICH & PAYNE, INC.)
)
)
IN THE MATTER OF ESTABLISHING PROPER)
DRILLING AND SPACING UNITS FOR THE)
PERMIAN, GRANITE WASH, DEESE, ATOKA)
AND MORROW-SPRINGER COMMON SOURCES)
OF SUPPLY UNDERLYING ALL OF SECTIONS)
1, 2, 11, 12, 13 and 14, TOWNSHIP 8)
NORTH, RANGE 16 WEST, WASHITA COUNTY,)
OKLAHOMA BY EXTENDING ORDER FOR THE)
PERMIAN, GRANITE WASH, DEESE, ATOKA)
AND MORROW-SPRINGER COMMON SOURCES)
OF SUPPLY ALL IN WASHITA COUNTY,)
OKLAHOMA.)

C.D. CAUSE NO. 85376
ORDER NO. 202669

REPORT OF THE COMMISSION

This Cause came on for hearing before Patricia Van Antwerp, Trial Examiner, for the Corporation Commission of Oklahoma, on the 6th day of November, 1981, in the Commission's Courtroom, Jim Thorpe Building, Oklahoma City, Oklahoma, pursuant to notice given as required by law and the rules of the Commission.

Carl H. Young, III, Attorney, appeared for the Applicant, Helmerich & Payne, Inc., and Alice Mitchell, Conservation Attorney, appeared for the Commission.

The Trial Examiner heard the cause and has filed her report recommending that the application be granted. The Commission concludes that the recommendation of the Trial Examiner should be adopted and therefore finds and orders as follows:

FINDINGS

1. This is an application of Helmerich & Payne, Inc. for an order establishing 640-acre gas and gas condensate spacing in Sections 1, 2, 11, 12, 13 and 14, Township 8 North, Range 16 West, Washita County, Oklahoma by extending Order No. 140975 for the Permian, Granite Wash, Deese, Atoka and Morrow-Springer separate common sources of supply.

2. The Commission has jurisdiction over the subject matter herein and notice has been given in all respects as required by the laws and rules of the Commission and no protests have been entered to the granting of the Application.

3. Applicant is the owner of the right to drill a well to the common sources of supply named below underlying portions of the land described in the caption hereof by virtue of valid and subsisting oil and gas leases owned by Applicant covering portions of said land.

4. That underlying the lands described in paragraph 1 above, there are actual or prospective common sources of supply, named below, which are expected to be encountered and which should be classified with drilling and spacing units and well locations, established as follows:

<u>COMMON SOURCE OF SUPPLY</u>	<u>CLASSIFICATION</u>	<u>DEPTH</u>
Permian	Gas and Gas Condensate	1,000'
Granite Wash	Gas and Gas Condensate	3,600'
Deese	Gas and Gas Condensate	8,800'
Atoka	Gas and Gas Condensate	9,500'
Morrow-Springer	Gas and Gas Condensate	11,200'
By extending the purview of Order No. 140975		

5. That from the evidence, it appears that the common sources of supply named in Paragraph 4, above, will underlie all of the lands described in Paragraph 1, above; that one well will adequately, economically and efficiently drain at least an area of the size of the drilling and spacing units as set out in Paragraph 4, above; that the well is necessary to effectively and efficiently drain the portion of the reservoir covered by the drilling and spacing (proration) unit which cannot be effectively and efficiently drained by any existing well within the drilling and spacing (proration) unit; that the size of the drilling and spacing units set out in said Paragraph 4 is the minimum which should be established for the common sources of supply named in said Paragraph 4.

6. That to prevent or assist in preventing the various types of waste prohibited by statute, or any said wastes, or to protect or assist in protecting the correlative rights of interested parties, the Commission should establish drilling and spacing units as set out under "Order" below.

7. That in the interest of encouraging development of the area, securing the greatest recovery from the pool, the prevention of waste and the protection of correlative rights, this Application should be granted.

ORDER

IT IS THEREFORE ORDERED by the Corporation Commission of Oklahoma as follows:

1. The area covered by Order #140975, is hereby enlarged so that 640-acre drilling and spacing units are established for the production of gas and gas condensate from the Permian, Granite Wash, Deese, Atoka and Morrow-Springer, separate common sources of supply underlying Sections 1, 2, 11, 12, 13 and 14 of Township 8 North, Range 16 West, Washita County, Oklahoma.

2. Said 640-acre drilling and spacing units established hereby shall be formed as follows: Each governmental section shall constitute a unit even if such unit exceeds 640 acres. The permitted unit well for each drilling and spacing unit shall be located as follows: In the center of the unit; provided, however, a well will be deemed drilled at the permitted location if drilled not less than 1320 feet from the boundary of the unit.

3. A map shall be attached hereto and marked Exhibit A and made a part hereof, showing the outline of each drilling and spacing unit and the location of the permitted well in each unit.

4. All royalty interests within each drilling and spacing unit shall be communitized and each royalty owner within each unit shall participate in the royalty in the well drilled thereon, in the relation that the acreage owned by him bears to the total acreage in the unit.

5. In the event there are divided or undivided interests within any unit and the parties are unable to agree on a plan for the development of the unit, then their rights and equities shall be adjudicated by the Commission as provided by Title 52, Oklahoma Statutes, 1971, Section 87.1.


6. This order shall be effective as of the 6th day of
November, 1981.

DONE AND PERFORMED THIS 23 day of November, 1981.

CORPORATION COMMISSION OF OKLAHOMA



Hamp Baker, Chairman



Bill Dawson, Vice-Chairman



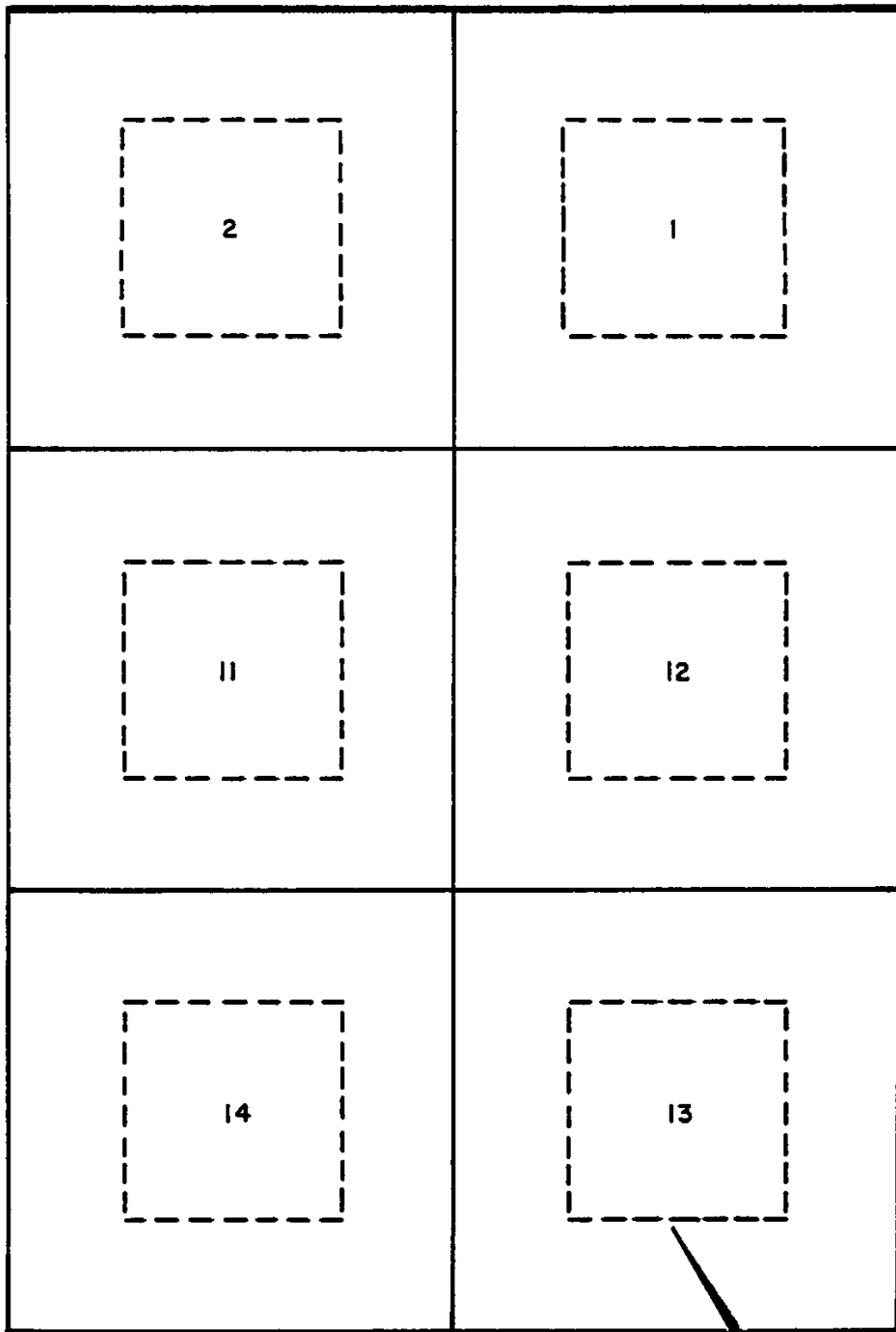
Norma Eagleton, Commissioner

ATTEST:



Berdee S. Holt, Secretary

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PERMITTED WELL LOCATION
NOT LESS THAN 1320 FT
FROM ANY UNIT BOUNDARY.

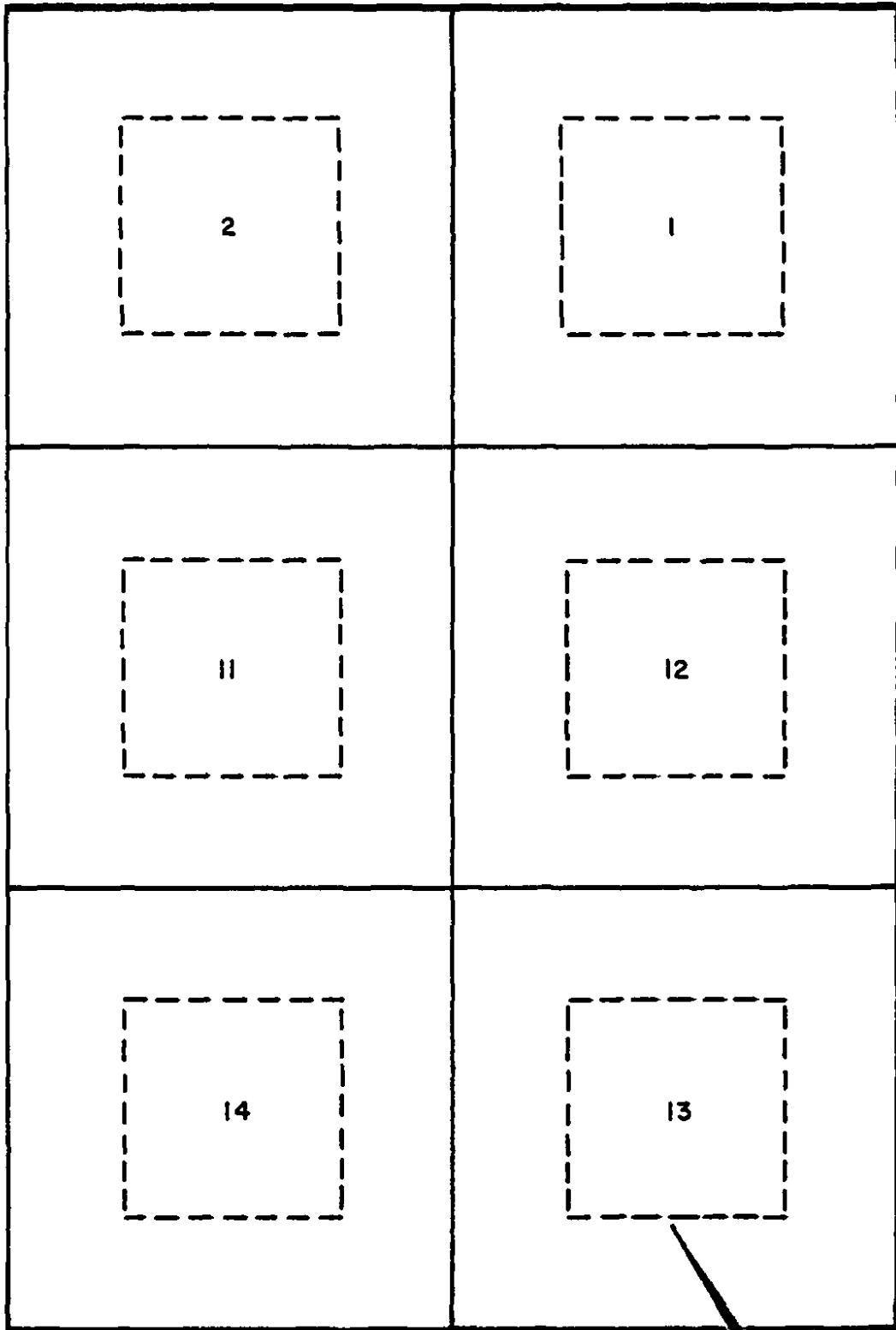
Helmerich & Payne, Inc.

CORDELL

WASHITA CO, OKLAHOMA

EXHIBIT "A"

R 16 W



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