

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT: NEWFIELD EXPLORATION MID-)
CONTINENT INC.)
RELIEF SOUGHT: INCREASED WELL DENSITY) CAUSE CD NO. 201802198
LEGAL DESCRIPTION: SECTION 34, TOWNSHIP 8 NORTH,)
RANGE 5 WEST, GRADY COUNTY,) ORDER NO. **684992**
OKLAHOMA)

ORDER OF THE COMMISSION

1. Hearing Date and Place: 8:30 a.m., August 28, 2018, Jim Thorpe Building, 2101 N. Lincoln Boulevard, Oklahoma City, OK 73105.

2. Appearances: **GREGORY L. MAHAFFEY**, Attorney, appeared for Applicant.

3. Notice and Jurisdiction: Notice has been given as required and the Commission has jurisdiction of the subject and persons. That the Commission has conducted a judicial inquiry into the sufficiency of Applicant's search to determine the names and whereabouts of the respondents who were served herein by publication, and based on the evidence adduced, the Commission finds that Applicant, the owner of oil and gas leasehold interests within the lands described in the caption hereof, has exercised due diligence and has conducted a meaningful search of all reasonably available sources at hand. The Commission approves the publication service given herein as meeting statutory requirements and the minimum standards of state and federal due process so that notice has been given in all respects as required by law and by the rules of the Commission.

4. Amendment: None.

5. Relief Requested: Applicant requests that it or some other party be permitted to drill six (6) additional wells for the 640-acre **horizontal** unit comprising Section 34, Township 8 North, Range 5 West, Grady County, Oklahoma.

6. Relief Granted: The requested relief is granted; the well will be for the common sources of supply described below underlying the 640-acre **horizontal** unit described in the caption hereof, as an exception to the following order:

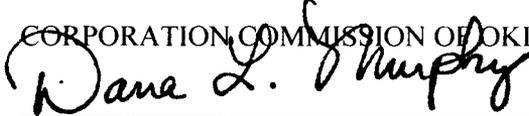
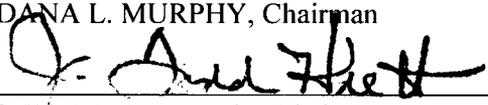
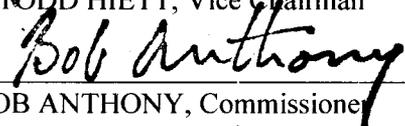
<u>Common Source</u> <u>of Supply</u>	<u>Depth</u>	<u>Order</u> <u>No.</u>
Woodford	11,036'	634535

7. Reason for Relief: **Engineering** – the subject unit is underlain with 1,586,416 barrels of recoverable oil in place in the Woodford common source of supply. The existing Davis 1H-34X Well will ultimately drain 168,418 barrels of oil, leaving 1,417,998 barrels of recoverable oil in place. The drilling of the increased density well is necessary to effectively and efficiently drain a portion of the drilling and spacing unit and common source of supply not being drained by the existing well which is classified as an oil well.

8. Allowable: If completed as an oil well, each well shall have a normal 160-acre allowable, **plus the incentive allowable authorized for horizontal wells**. If completed as a gas well, each well shall have its own allowable based upon the test results of each well. The allowable for a horizontal well unit or horizontal well unitization with multiple horizontal gas wells shall be the sum of the allowable for the separate horizontal

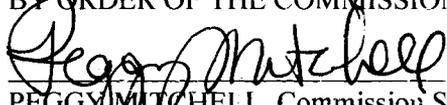
gas wells. For this summation, the allowable for each horizontal gas well will be calculated as if it were the only well in the unit. [See OAC 165:10-3-28(h)(3).]

That the **six (6) additional** increased density wells, in accordance with the foregoing, are necessary to prevent waste and to protect correlative rights and **Newfield Exploration Mid-Continent Inc.** should be permitted to drill and produce the wells as set out herein, provided such increased density wells must be commenced within one year from the date hereof or this order shall be of no force and effect **as to any well not timely commenced**, and IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA

DANA L. MURPHY, Chairman

J. TODD HIATT, Vice Chairman

BOB ANTHONY, Commissioner

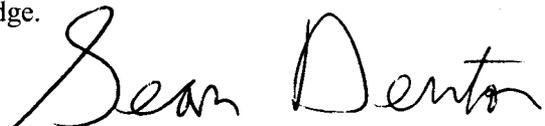
DONE AND PERFORMED ON THIS 16 DAY OF October, 2018.

BY ORDER OF THE COMMISSION:

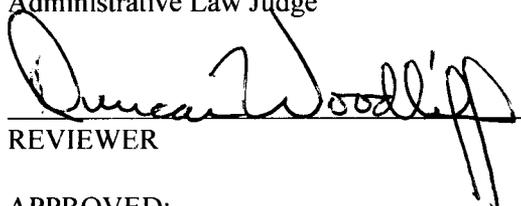

PEGGY MITCHELL, Commission Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing Findings and Order are the Report and Recommendation of the Administrative Law Judge.


SEAN DENTON
Administrative Law Judge

10/15/18
Date


REVIEWER

10/9/18
Date

APPROVED:


GREGORY L. MAHAFFEY, OBA #5626
Attorney for Applicant