

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

<u>APPLICANT:</u>	APACHE CORPORATION	}	CAUSE CD NO.
<u>RELIEF SOUGHT:</u>	WELL LOCATION EXCEPTION		201305853-T
<u>LAND COVERED:</u>	SECTION 30, TOWNSHIP 12 NORTH, RANGE 22 WEST, BECKHAM COUNTY, OKLAHOMA		ORDER NO.
			616975

INTERIM ORDER OF THE COMMISSION

1. **Hearing Date and Place:** This cause came on for hearing before Kathleen McKeown, Administrative Law Judge, at 8:30 a.m., on the 30th day of September, 2013, in Tulsa, Oklahoma.
2. **Appearances:** Richard A. Grimes, Attorney, appeared for the Applicant, Apache Corporation.
3. **Notice and Jurisdiction:** Notice has been given as required by law and by the rules of the Commission. The Commission has jurisdiction of the subject matter and the parties.
4. **Amendments:** None.
5. **Companion Cause:** Cause CD No. 201305854-T.
6. **Relief Requested:** The relief requested is for an Order authorizing Apache Corporation, or some other party, to drill, complete and produce a horizontal well in the Hoxbar common source of supply for the 640-acre drilling and spacing unit consisting of Section 30, Township 12 North, Range 22 West, Beckham County, Oklahoma, with the surface location and completion interval as described below. This Order is to grant an exception to the well location provisions of Order No. 138431.

	North/South Location-ft	East/West Location-ft
Surface Location	NCT 10' FSL	NCT 10' FWL
First Perforation	NCT 300' FSL	NCT 500' FWL
Last Perforation	NCT 300' FNL	NCT 500' FWL

Provided, the entire length of the lateral shall be in the W/2 of said Section 30.

WELL LOCATION EXCEPTION - CAUSE CD NO. 201305853-T
SECTION 30-12N-22W, BECKHAM COUNTY, OKLAHOMA
APACHE CORPORATION

7. **Relief Granted:** This well location is granted. The horizontal well will be for Hoxbar common source of supply for the 640-acre drilling and spacing unit consisting of Section 30, Township 12 North, Range 22 West, Beckham County, Oklahoma, with the surface location and completion interval as described below. This Order is to grant an exception to the well location provisions of Order No. 138431.

	North/South Location-ft	East/West Location-ft
Surface Location	NCT 10' FSL	NCT 10' FWL
First Perforation	NCT 300' FSL	NCT 500' FWL
Last Perforation	NCT 300' FNL	NCT 500' FWL

Provided, the entire length of the lateral shall be in the W/2 of said Section 30.

8. **Completion Interval:** The entire length of the lateral will be cemented, such that perforations will be isolated from the beginning and end point of the lateral, in order to protect the correlative rights of the offset units. The completion interval shall be the entire length of the lateral between the first and last perforations described above.

9. **Reason for Relief:** The well is proposed as a horizontal well for the Hoxbar common source of supply. That interval is tight and vertical wells typically produce only marginal amounts of oil and gas. The proposed locations are necessary to provide the latitude of drilling a lateral of sufficient length to justify the additional expense of the operation.

10. **Allowable:** The Applicant intends to run bottomhole surveys to determine the bottomhole location for this well. If those surveys show that such point of entry and terminus of the lateral are no closer to unit boundaries than authorized above, the allowable for the Hoxbar common source of supply shall be 100% of a normal allowable. However, should those surveys reveal that the bottomhole locations are more off-pattern than the bottomhole locations described above, the Applicant shall file an Amended Application to address the allowable for such bottomhole locations.

11. That the well location exception, in accordance with the foregoing, is necessary to prevent waste and to protect correlative rights and that Apache Corporation is authorized to drill and complete the well as set out herein and IT IS SO ORDERED.

12. **Interim Order:** The order shall be an interim order pending results of the bottomhole surveys to be run in the well. The cause shall be re-opened on January 7, 2014 for the purpose of submitting those surveys.

13. **Expiration of Order:** This order shall expire twelve (12) months after the date hereof, unless a well is commenced pursuant to its terms on or before the expiration date.

OKLAHOMA CORPORATION COMMISSION

Patrice Douglas
PATRICE DOUGLAS, Chairman

Bob Anthony
BOB ANTHONY, Vice Chairman

Dana L. Murphy
DANA L. MURPHY, Commissioner

DONE AND PERFORMED THIS 14 DAY OF Oct., 2013.

BY ORDER OF THE COMMISSION:

Peggy Mitchell
PEGGY MITCHELL, Commission Secretary

APPROVED AS TO CONTENT AND FORM:

Richard Griffin
ATTORNEY FOR APPLICANT

REPORT OF THE ADMINISTRATIVE LAW JUDGE

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

Kathleen M. McKeown
Kathleen McKeown,
Administrative Law Judge

10/4/13
Date

John A. Briscoe
Technical Review

10-09-2013
Date