

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

APPLICANT: XTO ENERGY INC.)
)
RELIEF SOUGHT: ESTABLISH A 640-ACRE)
DRILLING AND SPACING UNIT) CAUSE CD NO.
)
LEGAL DESCRIPTION: SECTION 3,) 201305502
TOWNSHIP 7 SOUTH,)
RANGE 1 WEST,) ORDER NO.
LOVE COUNTY, OKLAHOMA) **616960**

ORDER OF THE COMMISSION

1. Hearing Date and Place: This matter was heard on the 24th day of September, 2013, in the Jim Thorpe Building, Oklahoma City, Oklahoma.
2. Appearances: **Richard K. Books**, attorney for Applicant; and **David Pepper**, attorney for Continental Resources.
3. Notice and Jurisdiction: Notice has been given by publication as required by Commission Rules and Affidavits of Publication have been filed. Those owners whose names and addresses were attainable have been given actual notice by mail. 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. 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 Commission finds the process to be proper and has jurisdiction over the subject matter and the parties.
4. Amendment: At the time of the hearing, the Upper Dornick Hills, Lower Dornick Hills, Springer and Sycamore common sources of supply were dismissed.
5. Reconciliation of Conflicting Nomenclature or Spacing: None.
6. Relief Requested: A drilling and spacing unit should be created for the common sources of supply and land set forth in "Relief Granted" below. The manner in which said unit is to be created, as well as the depth, classification of production, size of said unit and the well location are also set forth in "Relief Granted" below.
7. Relief Granted:

a. Previous Orders Vacated, Amended or Reformed: By Order No. 180128, dated November 26, 1980, this Commission established 160-acre drilling and spacing units for the Hunton common source of supply underlying all of Section 3, Township 7 South, Range 1 West, Love County, Oklahoma. Since the date of said Order, there has been a substantial change in conditions or a substantial change in the knowledge of conditions in the area which necessitates vacating Order No. 180128 insofar as it pertains to the Hunton common source of supply underlying all of Section 3, Township 7 South, Range 1 West, Love County, Oklahoma. The evidence showed that since the creation of the 160-acre units sought to be vacated, drilling activity has made it clear that the appropriate method of development is by horizontal drilling. To accommodate horizontal drilling, it is necessary to vacate the 160-acre spacing and create 640-acre spacing to allow for longer laterals.

b. The following lands are underlain by the common sources of supply designated and therefore the following drilling and spacing unit is hereby established as follows:

BY NEW SPACING:

<u>Common Source of Supply</u>	<u>Classification and Depth</u>	<u>Unit Size</u>
Caney	Gas 11,000'	640-acre
Woodford	Gas 11,900'	640-acre
Hunton	Gas 12,140'	640-acre
Sylvan	Gas 12,160'	640-acre

Underlying the following described land, to-wit:

Section 3, Township 7 South, Range 1 West, Love County,
Oklahoma.

c. Form and Shape of Unit and Location of Well: With the unit to consist of a governmental section, and the permitted well for the unit to be located not less than 1,320 feet from said unit boundary.

d. One Well On Unit: No more than one well shall hereafter be produced from said common sources of supply named above on the drilling and spacing unit established hereby and the permitted well on said drilling and spacing unit established hereby shall be drilled only at the location thereon as prescribed above, unless the Commission, prior to the drilling of said well, shall have authorized a well location exception therefor in accordance with Section 87.1, Title 52, O.S.

e. Map Attached: Attached to this Order is a plat indicating the information required by statute.

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8. Conclusion: The relief requested is necessary to prevent or to assist in preventing the various types of waste of oil or gas prohibited by statute, or any of said wastes, and to protect or assist in protecting the correlative rights of interested parties. Such requested relief, as set forth above, should be granted and IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA
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 OCTOBER, 2013.

BY ORDER OF THE COMMISSION
Peggy Mitchell
Peggy Mitchell, Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

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

APPROVED:

David Leavitt
David Leavitt
Administrative Law Judge

10-7-13
Date

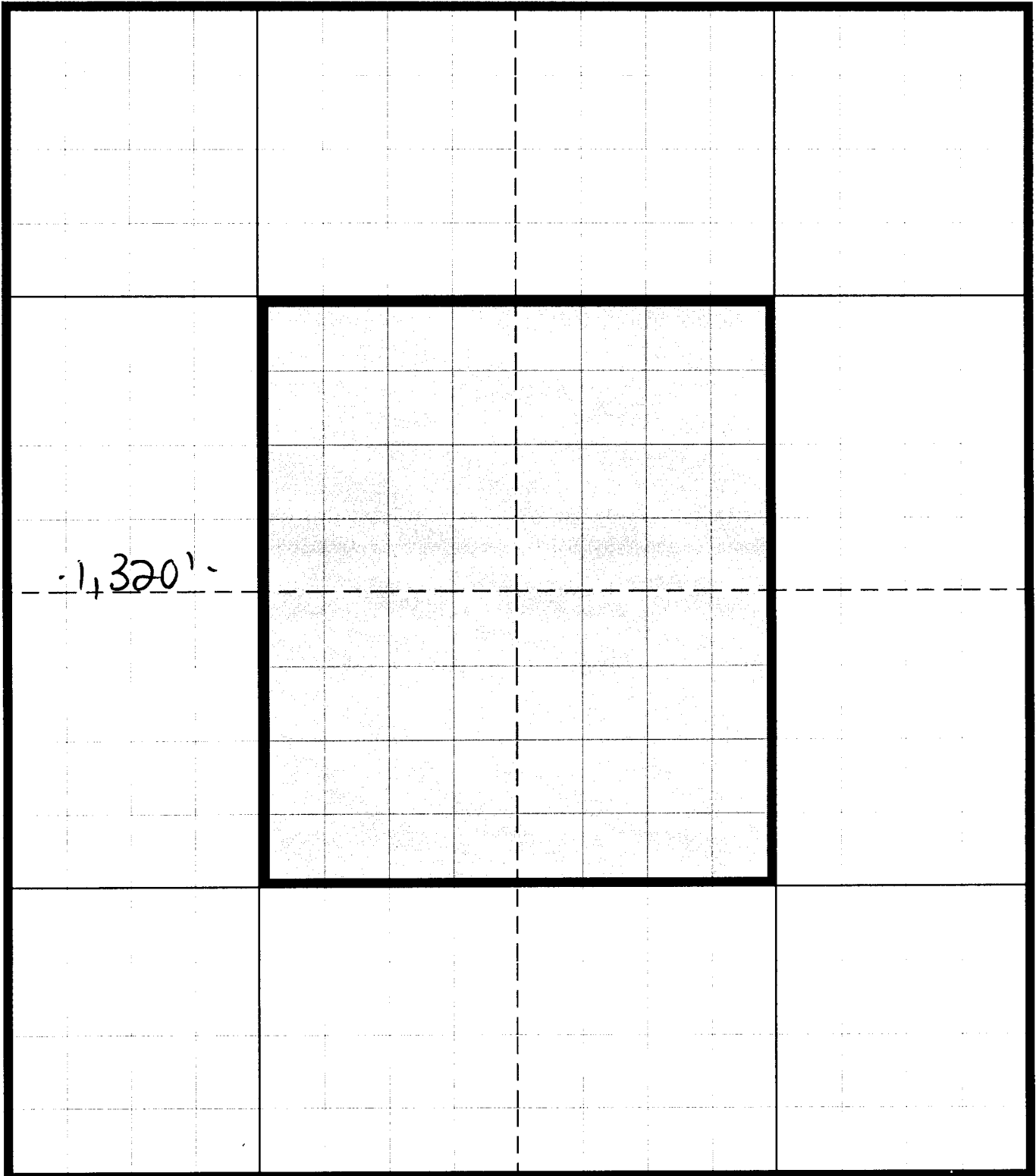
John A. Brisio
Reviewer

10-09-2013
Date

APPROVED AS TO FORM AND CONTENT:

Richard Books
Richard Books

SECTION 3



A 640-acre drilling and spacing unit is created for the Caney, Woodford, Hunton, and Sylvan common sources of supply underlying Section 3, Township 7 South, Range 1 West, Love County, Oklahoma, and the permitted well for the unit to be located not less than 1,320 feet from said unit boundary.