# BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT: NEW DOMINION, LLC

Ew Bowin Horn, EEe

RELIEF SOUGHT: POOLING

LEGAL DESCRIPTION: SECTION 17, TOWNSHIP 13 NORTH, RANGE 6 EAST, LINCOLN COUNTY, OKLAHOMA CAUSE CD NO.

201204464-T

ORDER NO.

601688

#### **FINDINGS AND ORDER**

- 1. <u>Hearing Date and Place</u>: 8:30 a.m., 13th day of August, 2012, Eastern Regional Office, 440 South Houston, Tulsa, Oklahoma 74127.
  - 2. <u>Appearances</u>: Ron M. Barnes, Attorney, appeared for the Applicant.
- 3. <u>Notice and Jurisdiction</u>: Notice has been given as required and the Commission has jurisdiction of the subject and the persons.
  - 4. Amendment: None.
- 5. <u>Relief Requested</u>: To pool and adjudicate the rights and equities of the owners named in Exhibit "A" attached hereto underlying the lands described in the caption hereof for the common sources of supply described below and to designate the Applicant or some other party as operator.
- 6. Relief Granted and Election Period: The requested relief is granted and the rights and equities of all owners named in Exhibit "A" attached hereto are hereby pooled, adjudicated, and determined in the lands described in the caption hereof for the common sources of supply as indicated.

<b>Common Source of Supply</b>	Size of Unit	<u>Order No.</u>
Layton	640-acre	601247
Checkerboard	640-acre	601247
Cleveland	640-acre	601247
Wewoka	640-acre	601247
Calvin	640-acre	601247
Senora	640-acre	601247
Skinner	640-acre	601247
Red Fork	640-acre	601247
Bartlesville	640-acre	601247
Booch	640-acre	601247

Common Source of Supply	Size of Unit	Order No.
Gilcrease	640-acre	601247
Dutcher	640-acre	601247
Union Valley	640-acre	601247
Cromwell	640-acre	601247
Basal Pennsylvanian	640-acre	601247
Unconformity Sand		
Mississippian	640-acre	601247
Woodford	640-acre	601247
Misener-Hunton	640-acre	601247
Sylvan	640-acre	601247

Said owners named in Exhibit "A" attached hereto must make one or any combination of the following elections within 20 days from the date of this Order. In the event a respondent makes an election to accept the bonus provision, then that respondent shall include their social security or federal tax I.D. number along with the election. If the respondent fails to include their social security or federal tax I.D. number New Dominion, LLC will not issue a check until such information is provided.

6.1 <u>Participate</u>: To participate in the development of the unit and common sources of supply by agreeing to pay such owner's proportionate part of the actual cost of the well and unit covered hereby and by paying, as set out below, to Operator such owner's proportionate part of the estimated completed for production cost thereof, or by providing the Operator with an irrevocable letter of credit for such payment satisfactory to the Operator, within 25 days from the date of this Order, as follows:

Completed as a dry hole	\$1,575,500
Completed for production	\$2,599,650

The proposed well is anticipated to produce substantial quantities of saltwater. Inclusive in the estimated completed for production costs stated above is the estimated cost of a saltwater disposal well hooked into New Dominion, LLC's system. If you choose to participate, you will be charged your proportionate share of the actual cost of a saltwater disposal well as an access fee to that system plus the reasonable costs of monthly operations of the saltwater system. For the purposes of this order, the proportionate share of the access fee shall be calculated by dividing the saltwater disposal well cost by the number of spacing units to be serviced by such well, with the resulting cost then allocated to the unit being pooled according to the participant's share of unit expenses.

Alternatively, if you choose to participate and not pay an access fee, New Dominion, LLC will set a tank battery and use a commercial hauler to haul your share of the saltwater produced and bill you for the cost.

Provided, further, that in the event an owner elects to participate in said unit well by paying his proportionate part of the costs thereof and fails or refuses to pay or provide the Operator with an irrevocable letter of credit for such owner's proportionate part of the completed for production cost as set forth herein, all within the periods of time as prescribed in this Order, then such owner shall be deemed to have elected to accept the cash bonus plus royalty, as set out in paragraph 6.2 below; provided, that if an owner's interest has burdens that exceed the normal 1/8 royalty interest provided in paragraph 6.2 below, then, in that event, such owner shall be deemed to have accepted the option provided in paragraph 6.3 below. Thereupon, the payment of such cash bonus shall be made by Operator within 35 days after the last day of which such defaulting owner, under this Order, should have paid his proportionate part of such costs or should have made satisfactory arrangements for the payment thereof.

- 6.2 <u>Cash Consideration</u>: <u>To accept \$200 per acre plus the normal 1/8 royalty interest</u> as defined in 52 O.S., Section 87.1(e)(2001), as a fair, reasonable and equitable bonus to be paid to each owner who elects not to participate in said unit well by paying such owner's proportionate part of the costs thereof; such cash bonus to be paid within <u>35</u> days from the date of this Order and when so paid shall be satisfaction in full of all rights and interests of such owner in the well covered hereby.
- 6.3 <u>Cash Consideration</u>: <u>To accept \$175 per acre plus a total royalty of 3/16</u> as a fair, reasonable, and equitable bonus to be paid unto each owner who elects not to participate in said unit by paying such owner's proportionate part of the cost thereof; such cash bonus to be paid within <u>35</u> days from the date of this Order and when so paid shall be satisfaction in full for all rights and interests of such owner in the unit covered hereby, provided however, in the event that owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal <u>1/8</u> royalty as defined herein, then such excess royalty, overriding royalty, or other burden shall be charged against the <u>1/16</u> of <u>8/8</u> overriding or excess royalty as herein set forth, and the same shall be reduced by the amount of any such excess.
- 7. Failure to Elect: In the event any owner fails to elect within the time and in the manner as set out above which of the alternatives set forth in paragraph 6 above, any such owner accepts, then such owner shall be deemed to have accepted the cash bonus plus royalty, as set out in paragraph 6.2 above, provided in the event such owners interest because of burdens attached to such interest does not qualify for that cash option, then such owner shall be deemed to have accepted the cash option provided for in paragraph 6.3 above; in the event any owner elected to do other than participate in said unit by paying his pro rata share of the costs of the unit well thereof, or fails to make an election provided above, such owner shall be deemed to have relinquished unto Operator all of such owner's right, title, interest, or claim in and to the unit, except for any normal 1/8 royalty interest, and other share in production to which such owner may be entitled by reason of any election hereunder.
  - 8. Operator: Attn: Michael Ledbetter
    New Dominion, LLC
    1307 S. Boulder Ave., Ste. 400
    Tulsa, Oklahoma 74119

an owner of the right to drill in said drilling and spacing unit is designated Operator of the unit well and common sources of supply covered hereby and all elections required in paragraph 6 hereof should be communicated to said Operator in writing at the address above as required in this Order. All written elections must be mailed postmarked within the election period as set forth in paragraph 6; provided such election may be mailed certified mail with return receipt requested in which event such certified election must be deposited in the post office within the election period set forth in paragraph 6. That said Operator has a current plugging bond or financial statement on file with the Corporation Commission.

- 9. <u>Commencement of Operations</u>: That Operator shall commence operations for the drilling or other operations with respect to the unit covered hereby within <u>one year</u> from the date of this Order and shall diligently prosecute the same to completion in a reasonably prudent manner, or this Order shall be of no force and effect, except as to the payment of bonus. If any payment of bonus due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then said bonus shall be paid into an escrow account within ninety (90) days after this Order and shall not be commingled with any funds of the Applicant or Operator. Any royalty payments or other payments due to such person shall be paid into an escrow account by the holder of such funds. Responsibility for filing reports with the Commission as required by law and Commission rule as to bonus, royalty or other payments deposited into escrow accounts shall be with the applicable holder. Such funds deposited in said escrow accounts shall be held for the exclusive use of, and sole benefit of, the person entitled thereto. It shall be the responsibility of the Operator to notify all other holders of this provision and of the Commission rules regarding the unclaimed monies under pooling orders.
- 10. Participation in Subsequent Operations: Only those owners electing to participate in the initial well drilled hereunder as provided above will be allowed to participate in subsequent wells drilled on the drilling and spacing unit and common source of supply covered hereby. Owners electing or deemed to have elected the cash consideration plus royalty provided in paragraphs 6.2 or 6.3 above shall receive no additional cash consideration for subsequent wells, but shall receive the royalty provided therein for subsequent wells. The term subsequent well for the purposes of paragraphs 10 and 11 shall not be deemed to include any side-tracking or other operation with respect to the initial unit well and shall not be deemed to be any well that is drilled as a replacement or substitute well for the initial unit well or any subsequent well covered hereby, by virtue of any mechanical or other problems arising directly in connection with the drilling, completing, equipping or producing of the initial unit well or any subsequent well and no party subject to this Order shall have the right to make any subsequent elections as to any such side-tracking, replacement or substitute well.
- 11. <u>Election on Subsequent Operations</u>: In the event New Dominion, LLC proposes the drilling of a subsequent well it shall notify those owners who elected to participate in the initial well drilled hereunder of its intent to drill a subsequent well and said owners will have <u>20</u> days from the date of receipt of said notice to elect whether to participate in said subsequent well. The notice provided by New Dominion, LLC shall include the estimated dry hole costs and estimated completed well costs of the subsequent well and owners electing to participate must pay, or make satisfactory arrangements with the proposing party to secure the payment, of their proportionate share of said complete well costs within <u>25</u> days from the date of

receipt of notice from New Dominion, LLC. Those owners electing not to participate or those owners failing to elect within the period provided or those owners electing to participate but failing to pay within the period provided shall be deemed to have elected not to participate in the subsequent well and shall thereafter receive the consideration provided for in paragraph 6.3 above for the first subsequent well and thereafter the royalty only and no additional cash bonus. Anytime an owner elects or is deemed to have elected not to participate in a subsequent well, then that owner shall not be allowed to participate in future wells drilled on the drilling and spacing units covered hereby. New Dominion, LLC shall commence the subsequent well within 180 days of the proposal for same or the proposal shall expire. That Oklahoma Corporation Commission shall retain jurisdiction over the drilling and completion costs proposed by New Dominion, LLC for subsequent wells.

- 12. Operator Lien: That Operator, in addition to any other rights provided herein, should have a lien, as set out in 52 O.S., Section 87.1(e)(2001), on the interest of any owner, subject to this Order, who has elected to participate in the well covered hereby by paying such owner's proportionate part of the costs thereof.
- 13. Special Finding: 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. That a bona fide effort was made to reach an agreement with each respondent and that the Applicant has not agreed with all such respondents in such drilling and spacing unit to pool their interest and to develop the drilling and spacing unit common sources of supply as a unit; that the Applicant has proposed the drilling of a well on said unit and to develop said common sources of supply; that the Operator, hereinabove named, is an owner of the right to drill on said drilling and spacing unit and to develop and produce said common sources of supply.
- 14. <u>Filing of Affidavit</u>: That the Applicant or its Attorney shall file with the Secretary of the Commission, within <u>10</u> days from the date of this Order, an Affidavit stating that a copy of said Order was mailed within <u>3</u> days from the date of this Order to all parties pooled by this Order, whose addresses are known.
  - 15. This is a unit pooling.
- 16. <u>Conclusion</u>: 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 DONE AND PERFORMED this 5 day of BY ORDER OF THE COMMISSION: JOYCE CONNER, Assistant Secretary REPORT OF THE ADMINISTRATIVE LAW JUDGE The foregoing Findings and Order is the report and recommendation of the Administrative Law Judge. APPROVED: ADMINISTRATIVE LAW JUDGE APPROVED AS TO FORM AND CONZENT:

## **EXHIBIT "A"**

- 1. BXP Royalty, LP P.O. Box 9023 Dallas, TX 75209
- Chris Steele and Kim Steele, hwjts
   354619 E. 970 Rd.
   Sparks, OK 74869
- 3. Chris Steele and Kim Steele, hwjts P.O. Box 445
  Jenks, OK 74037
- 4. Donna Colene Adams 6902 W. Sweetwater Ave. Peoria, AZ 85381
- Dorothy Ledbetter
   3513 Glorieta St. NE
   Albuquerque, NM 87111
- 6. Edna Irene Nedbalek 1013 W. Silver Meadow Dr. Oklahoma City, OK 73110
- 7. Estate of Frank Fouquet, Jr. c/o Doyle Fouquet, Administrator 1511 Tilman Dr. Richmond, TX 77469
- 8. Ida Jean Able
  c/o Danny Beltz
  123 W 5<sup>th</sup> Street
  Stroud, OK 74079
- 9. Jim Lee Carroll P.O. Box 351 Belton, TX 76513
- 10. Jim Lee Carroll4810 Dice Grove RoadBelton, TX 76513

- 11. MOVED TO ADDRESS UNKNOWN
- 12. Joe Carroll, Jr.
  P.O. Box 351
  Belton, TX 76513
- 13. Kingdom Investments, Limited 1601 Elm St., Ste. 3400 Dallas, TX 75201
- 14. Marjo Carroll14527 Ridgetop TerraceAustin, TX 78732
- 15. Muriel Mlynek 11015 S. Highway 99 Prague, OK 74864
- Patsy Rivas85155 Denton WayFlorence, OR 97439
- Sandstone Energy Acquisitions Corp.101 N. Robinson, Ste. 910 Oklahoma City, OK 73102
- 18. The Estate of Judy Ann Petkau c/o Jay Friend, Administrator 352152 E. 1050 Rd. Prague, OK 74864
- 19. Thomas R. Fouquet J-64328 Wasco State Prison P.O. Box 5500 Wasco, CA 93280

#### ADDRESS UNKNOWN

John Edwards

Joe Carroll, Jr. P.O. Box 307 Temple, TX 76503 (#11)

### **DECEASED/POSSIBLY DECEASED**

The known, unknown and unrestricted successors, heirs, devisees, executors, administrators or trustees of the following decedents/apparent decedents:

Anita Sue Kennedy

Billie Wilma Kelly

Billy Jo Hinds

Doie Hensley Owens and Maude Jewell Owens, jts

Frances Albert Roberts

Frances Lee Martin

Frank Fouquet, Jr.

George A. Fouquet

George R. Sutton

Jay B. Hinds

Joe Don Fouquet

Johnnie Edna Mulkey

#### **CURATIVE**

Agnes Ketterman-Dobert
 4908 Shadow Falls Dr.
 Martinez, CA 94553

- 21. Allen Ladra 104271 S. 3500 Road Prague, OK 74864
- 22. Amanda Pearl Petkau StevensonIssac930 NE 68thOklahoma City, OK 73105
- BP America Production Company, successor by merger to Vastar Resources, Inc.
  501 WestLake Park Blvd.
  Room WL1-4.412C
  Houston, TX 77079
- 24. Christopher P. Kelley 617 Lunardi Way Roseville, CA 95678
- 25. Cornelia Ladra 104271 S. 3500 Road Prague, OK 74864
- 26. Dan A. Erwin 118 W. 8th St. Chandler, OK 74834
- 27. David J. Erwin45525 NavajoIndian Wells, CA 92210
- 28. David M. Erwin 2412 Harrison St., #204 San Francisco, CA 94110
- 29. Deborah K. Roe 2325 SW 34th St. Oklahoma City, OK 73119
- 30. Duane A. Roberts 29681 County Road 3 Merrifield, MN 56465

31. Karen J. Burris Estate of Dorthea Fouquet 41. c/o Doyle Fouquet, Administrator 6616 NW 110th 1511 Tilman Dr. Oklahoma City, OK 73162 Richmond, TX 77469 42. Kathryn Bradley 3728 NW 59th 32. **MOVED TO CURATIVE** Oklahoma City, OK 73112 ADDRESS UNKNOWN 33. James Brian Ray 43. Larry Dale Martin 3341 NW 24th St. 3106 N. Alexander Bethany, OK 73008 Oklahoma City, OK 73107 34. James Brian Ray and Beverly L. Ray 44. Linda Osmus hwits 401 E. 10th St. 3106 N. Alexander Edmond, OK 73034 Bethany, OK 73008 45. Lorie A. Hoekstra 35. **MOVED TO CURATIVE** 5121 Yuma Lane North **DECEASED** Minneapolis, MN 55446 James William Roe 36. **MOVED TO CURATIVE** 46. 2325 SW 34th St. ADDRESS UNKNOWN Oklahoma City, OK 73119 47. Marilyn C. Roberts 37. 2692 Studio Dr. Jay Friend 352152 E. 1050 Rd. Cayucos, CA 93430 Prague, OK 74864 48. Marilyn C. Roberts 38. Jeffery Kent Martin 545 Mimosa St. 9204 Kimberly Road Morro Bay, CA 93442 Oklahoma City, OK 73132 49. **MOVED TO CURATIVE** 39. John F. Kolar ADDRESS UNKNOWN 101 Lakeview Dr. Aledo, TX 76008 50. Martha Lou Irby c/o Karen Burris, POA 6616 NW 110th 40. Judy Kay Ambergy, now Mackenroth Oklahoma City, OK 73162 2856 Hickory Fork Road Gloucester, VA 23061 51. Mary Charlotte Hopkins P.O. Box 554 Lindsay, OK 73052

52. Mary Jo Oliver 63. Sarah Elizabeth Roe **NBU 3914** 2325 SW 34th St. Prague, OK 74864 Oklahoma City, OK 73119 53. Meddie Barnes, now Rawlings 64. Shelly Green 18648 Farm Road 2180 701 Eastridge Dr. Yukon, OK 73099 Cassville, MO 65625 54. Michael Reel 65. Sonja Fouquet, f/k/a Sonja Hammer 2415 N. Perrine Dr., Lot 8 4970 Maple Springs Road Manchester, TN 37355 Oklahoma City, OK 73141-3817 55. Michelle Steinman 66. Stacy Jacques 124 Diamond Grove Court P.O. Box 3245 Rocklin, CA 95677 Roseville, CA 95747 56. Michelle Steinman 67. Stephanie Ann Goodman 341714 E. Hickory Lane N. 70524 Cove View Rd. Twentynine Palms, CA 92277 Chandler, OK 74834 57. Pamela J. Meyer 68. T.J. Simek 8904 Hickory Hill Dr. P.O. Box 667 Granbury, TX 76049 Prague, OK 74864 58. Pamela R. Thompson 69. Tania Cheek c/o 5834 Lozano St. 4025 Bar Harbor Circle Yukon, OK 73099 Coulterville, CA 95311 59. Paul D. Erwin, Jr. 70. **MOVED TO ADDRESS** 1712 Westminster Pl. UNKNOWN Oklahoma City, OK 73120 71. Tania Cheek 60. Richard Reel 1911 Kenmore Dr. W. 107 Tawnya Circle Fresno, CA 93703 Big Pine, CA 93513 72. **MOVED TO ADDRESS** 61. Ronnie Craig Martin **UNKNOWN** 5328 NW 45th St. Warr Acres, OK 73122 73. **MOVED TO CURATIVE** ADDRESS UNKNOWN 62. Samuel Leroy Muzny P.O. Box 565 74. MOVED TO CURATIVE

ADDRESS UNKNOWN

Prague, OK 74864

75. MOVED TO CURATIVE ADDRESS UNKNOWN

76. Wesley Hinds722 Grove St.Roseville, CA 95678

# **CURATIVE ADDRESS UNKNOWN**

Atlantic Oil Producing Company

Eva Push

George McClure

Michael J. Sietsema and Tammy Lynn Sietsema, jts

Mike Kelley

R.A. Jennings

Vern E. Schumacher and Aila K. Schumacher, jts

Z.L. Craig

Frank Petkau P.O. Box 45 Paden, OK 74860 (#32)

Mae Ladra P.O. Box 577 Farmersville, CA 93223 (#46)

Marilyn C. Roberts 418 Peninsula Dr. Cayucos, CA 93430 (#49)

Tania Cheek 347 W. Holland Ave., Apt. 103 Clovis, CA 93612 (#70) Tania Cheek P.O. Box 11011 Fresno, CA 93771 (#72)

Terri Buckley 2020 Ashby Rd., Space 36 Merced, CA 95348 (#73)

Terri Buckley 1911 Kenmore Dr. W. Fresno, CA 93703 (#74)

Terri Buckley 55 W. Bullard Ave., Apt. 219 Clovis, CA 93612 (#75)

# CURATIVE DECEASED/POSSIBLY DECEASED

The known, unknown and unrestricted successors, heirs, devisees, executors, administrators or trustees of the following decedents/apparent decedents:

Adolph Muzny

Albert Muzny

Alexis C. Fouquet

Anna Florian

Anna M. Vlasak

B.S. Marchant

**Beatrice Price Fouquet** 

Clara Hinds

Dollie Fouquet

Dorothea Fouquet

Elizabeth Roe

Estelle Hoffman

Evelyn Holik

Frank Muzny

Gary E. Kelley

George Ladra

George Walenta

Gladys Lorene Vlasak, now Vanhooser

Harold Ross Mulkey

John Morris Mulkey, Sr.

John Muzny

Josephine Kolar

Kenneth F. Roberts

King Rolland Roberts, a/k/a Rolland King Roberts, a/k/a King Roberts

Leon V. Fouquet

Louis Walenta, Jr.

M.J. Muzny

Marie Ann Vlasak, now Crute

Martha Muzny

Mary Fouquet

Mary Fouquet Barrett

Mary Knesek

Mary Louise Michener

Melva Reel

Norman O. Roberts

P.D. Erwin

Raymond Pechacek

Robert Knesek

Sheila Marie Martin, a/k/a Sheila Marie Babcock

Stella Fouquet Schwemley

**Touisaint Fouquet** 

Vence Muzny

Violet Kolar Young

Wesley Muzny

James Roger Ray 4013 Landmark Road Yukon, OK 73099 (#35)

If any named person is deceased, then the known or unknown heirs, executors, administrators, trustees, devisees, and assigns, immediate and remote of such decedent, are made respondents to this Application. If any named respondent is a corporation which does not continue to have legal existence, then the known or unknown successors, trustees or assigns, if any of such entity, are made respondents to this Application.