BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT: CASILLAS PETROLEUM RESOURCE PARTNERS, LLC

RELIEF SOUGHT: POOLING

LEGAL DESCRIPTION: SECTION 15, TOWNSHIP 6 NORTH, RANGE 4 WEST, MCCLAIN COUNTY, OKLAHOMA) CAUSE CD NO. 201706692-T

ORDER NO. 671045

ORDER OF THE COMMISSION

1. Hearing Date and Place: The 31st day of October, 2017, Eastern Regional Office, Tulsa, Oklahoma.

2. Appearances: Charles L. Helm, Attorney, appeared for the Applicant, Casillas Petroleum Resource Partners, LLC.

3. Notice and Jurisdiction: Notice has been given as required and the Commission has jurisdiction of the subject and the persons. With regard to each respondent, if any, whose address is listed as unknown in the Application on file in this Cause, or whose address is listed as known in such Application, but on whom the Applicant was unable to deliver notice because such address is apparently no longer valid, the Administrative Law Judge conducted an adjudicative inquiry into the factual issue of due diligence and determined that the Applicant has made a diligent effort to locate the whereabouts of such respondent using available primary and secondary sources, and service by publication with regard to such respondent has been duly and legally made and the Commission, after examining the records and proof of publication, approves the process.

4. Amendments: At the time of hearing, the Application was amended to dismiss the following respondents: Charter Oak Production Co., LLC and Miles Gascoigne.

5. Relief Requested: To pool and adjudicate the rights and equities of the owners named in Exhibit "A" attached hereto (including respondents listed primarily as curative) underlying the lands described in the caption hereof, and to designate Casillas Operating, LLC as operator. Applicant requested a "unit" pooling order covering owners' rights in all wells drilled and produced on the described drilling and spacing unit.

6. Relief Granted: 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 following common sources of supply:

Common Source of Supply	Spacing Order No.
Mississippian	664256
Woodford	664256

said owners named in Exhibit "A" attached hereto must make an election to the Operator, Casillas Operating, LLC, within twenty (20) days from the date of this Order. That, each owner, subject hereto, may make any of the elections as to all or any part of the interest of such owner in the unit and must give notice as to which of the elections stated in Paragraph 6 herein, such owner accepts.

a. Participate: 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 or wells covered hereby and by paying, as set out below, to Operator such owner's proportionate part of the estimated completed well cost thereof, or by securing or furnishing security for such payment satisfactory to the Operator, within ten (10) days from the date of a Notice of Intent to Spud which will be sent to participating parties not more than sixty (60) days prior to spud. The estimated costs are as follows:

Completed as a dry hole - $2,756,641.00
Completed for production - $6,214,672.00

provided, however, that in the event an owner elects to participate in said well by paying his proportionate part of the costs thereof and fails or refuses to pay or to secure the payment of such owner's proportionate part of the completed well cost as set forth herein, or fails or refuses to pay or make an arrangement with the Operator for the payment thereof, all within the periods of time as prescribed in this Order, then such owner shall be deemed to have elected to accept the option provided in Paragraph 6(b) below; provided, that if an owner's interest has burdens that exceed the total royalty provided in Paragraph 6(b) below, then in that event, such owner shall be deemed to have accepted the option provided in Paragraph 6(c) below; provided, that if an owner's interest has burdens that exceed the total royalty provided in Paragraph 6(c) below, then in that event, such owner shall be deemed to have accepted the option provided in Paragraph 6(d) below; provided, that if an owner's interest has burdens that exceed the total royalty provided in Paragraph 6(d) below, then in that event, such owner shall be deemed to have accepted the option provided in Paragraph 6(e) below. Thereupon the payment of such cash bonus shall be made by the Applicant within thirty-five (35) days after the last day of which such defaulting owner under this Order, should have paid his proportionate part of such owner's costs or should have made satisfactory arrangements for the payment thereof.

b. Cash Consideration: **($4,750.00 per acre and a 1/8 total royalty, as more fully described herein)** To accept $4,750.00 per acre cash as a fair, reasonable and equitable bonus to be paid unto each owner who elects not to participate in the cost thereof; such cash bonus to be paid by Applicant within thirty-five (35) 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, except for any normal 1/8 royalty interest, as defined in 52 O.S., Section 87.1 (e) (1977). To elect this option, a respondent must be capable of delivering at least an 87.5% net revenue interest to the Applicant, at the time elections are due herein.

c. Cash Consideration: **($4,500.00 per acre and a 3/16 total royalty, as more fully described herein)** To accept $4,500.00 per acre cash plus an overriding royalty or excess royalty of 1/16 of 8/8 as a fair, reasonable and equitable bonus to be paid unto each owner who elects not to participate in the cost thereof; such cash bonus to be paid by Applicant within thirty-five (35) 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, except for any normal 1/8 royalty interest, as defined in 52 O.S., Section 87.1 (e) (1977); provided, however, in the event any owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal 1/8 royalty as defined herein, then, such excess royalty, overriding royalty, or other burden shall be charged against the 1/16 of 8/8 overriding or excess royalty as herein set forth, and the same shall be reduced by the amount of any such excess. To elect this option, a respondent must be capable of delivering at least an 81.25% net revenue interest to the Applicant, at the time elections are due herein.

d. Cash Consideration: **($4,000.00 per acre and a 1/5 total royalty, as more fully described herein)** To accept $4,000.00 per acre cash plus an overriding royalty or excess royalty of 7.5% of 8/8 as a fair, reasonable and equitable bonus to be paid unto each owner who elects not to participate in the cost thereof; such cash bonus to be paid by Applicant within thirty-five (35) 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, except for any normal 1/8 royalty interest, as defined in 52 O.S., Section 87.1 (e) (1977); provided, however, in the event any owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal 1/8 royalty as defined herein, then, such excess royalty, overriding royalty, or other burden shall be charged against the 7.5% of 8/8 overriding or excess royalty as herein set forth, and the same shall be reduced by the amount of any such excess. To elect this option, a respondent must be capable of delivering at least an 80% net revenue interest to the Applicant, at the time elections are due herein.

e. Cash Consideration: **($1,500.00 per acre and a 1/4 total royalty, as more fully described herein)** To accept $1,500.00 per acre cash plus an overriding royalty or excess royalty of 1/8 of 8/8 as a fair, reasonable and equitable bonus to be paid unto each owner who elects not to participate in the cost thereof; such cash bonus to be paid by Applicant within thirty-five (35) 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, except for any normal 1/8 royalty interest, as defined in 52 O.S., Section 87.1 (e) (1977); provided, however, in the event any owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal 1/8 royalty as defined herein, then, such excess royalty, overriding royalty, or other burden shall be charged against the 1/8 of 8/8 overriding or excess royalty as herein set forth, and the same shall be reduced by the amount of any such excess. To elect this option, a respondent must be capable of delivering at least an 75% net revenue interest to the Applicant, at the time elections are due herein.

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 total royalty as set out in Paragraph 6(b). In the event any such owner's interest is burdened greater than the total royalty provided in Paragraph 6(b), then said owner will be deemed to have elected the option provided in Paragraph 6(c). In the event any such owner's interest is burdened greater than the total royalty provided in Paragraph 6(c), then said owner will be deemed to have elected the option provided in Paragraph 6(d). In the event any such owner's interest is burdened greater than the total royalty provided in Paragraph 6(d), then said owner will be deemed to have elected the option provided in Paragraph 6(e). In the event any owner elected to do other than participate in said well by paying his pro rata

share of the costs thereof, or fails to make one of the elections provided above, such owner shall be deemed to have relinquished unto the Applicant all of such owner's right, title, and interest or claim in and to the unit well or wells, 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. Participation in Subsequent Wells: Only those owners electing to participate in the initial well will be allowed to participate in subsequent wells drilled on the drilling and spacing unit covered hereby. Owners electing or deemed to have elected the cash consideration plus royalty provided in Paragraph 6(b), 6(c), 6(d) or 6(e) above shall receive no additional cash consideration for subsequent wells, but shall receive the royalty provided therein for subsequent wells.

a. Election on Subsequent Wells: In the event the Operator proposes the drilling of a subsequent well they shall notify those owners who elected to participate in the initial well of their proposal to drill a subsequent well, and said owners will have twenty (20) days from the receipt of said proposal to elect to the Operator whether to participate in said subsequent well or accept the options in lieu of participation provided in Paragraph 6(b), 6(c), 6(d) and 6(e) above. The proposal shall include the proposed costs of the subsequent well and owners electing to participate must pay their proportionate share of said costs to the Operator within twenty-five (25) days from the receipt of the proposal. 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 in Paragraph 6(b) herein for all subsequent wells, unless they have burdens exceeding the total royalty provided in Paragraph 6(b) in which event they will receive the consideration provided in Paragraph 6(c) above, unless they have burdens exceeding the total royalty provided in Paragraph 6(c) in which event they will receive the consideration provided in Paragraph 6(d) above, unless they have burdens exceeding the total royalty provided in Paragraph 6(d) in which event they will receive the consideration provided in Paragraph 6(e) above, with bonuses to be paid within thirty-five (35) days after the end of the election period. Any time an owner elects or is deemed to have elected not to participate in a subsequent well, then that owner shall be deemed to have relinquished unto the Applicant all of such owner's right, title, and interest or claim in and to the proposed well, except for any share in production to which such owner may be entitled by reason of any election hereunder and shall not be allowed to participate in future wells drilled on the drilling and spacing unit covered hereby. That the Oklahoma Corporation Commission shall retain jurisdiction over the drilling and completion costs proposed by Applicant for subsequent wells. Operations for any well proposed pursuant to this paragraph must be commenced within 180 days from the date of the proposal, or said proposal is void.

A "subsequent well" shall not include or cover any sidetrack operation in the initial unit well or any subsequent well covered hereby when said sidetrack operation is conducted only to straighten the hole or to drill around junk in the hole or to overcome other mechanical difficulties. No parties shall have the right to make any subsequent elections as to any such sidetrack operation described in the preceding sentence. A sidetrack operation, however, for any other reason shall be considered a "subsequent well" and shall fall within the terms set forth herein.

9. Operator: Casillas Operating. LLC
401 South Boston Avenue
Suite 2400
Tulsa, Oklahoma 74103

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, subject to the provision in Paragraph 10 below, and all elections required in Paragraph 6 hereof shall be communicated to said Operator in writing at the address above as required in this Order. All written elections must be mailed and postmarked within the election period as set forth in Paragraph 6 above. That said Operator has a current plugging bond or financial statement on file with the Corporation Commission.

10. Commencement of Operations: That Operator commence operations for the drilling or other operations with respect to the initial well covered hereby within 365 days from the date of this Order and shall diligently prosecute the same to completion in a reasonable prudent manner, or this Order shall be of no force and effect, except as to the payment of bonuses. That Operator may complete said well or wells in several separate zones being pooled. That all prospective zones may not necessarily be completed during the initial completion, but rather, may be done in a reasonably prudent time and manner.

11. Escrow Account: If any payments 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 Rules 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 unclaimed monies under pooling orders. If any payment of bonus due and owing under this Order cannot be made for any other reason, then such bonus shall be paid into an escrow account 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.

12. Operator Lien: That Operator, in addition to any other rights provided herein, shall have a lien, as set out in 52 O.S., Section 87.1 (e) (1977), 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. Filing of Affidavit: That the Applicant, or its Attorney, shall file with the Secretary of the Commission, within ten (10) days from the date of this Order, an Affidavit stating that a copy of said Order was mailed within three (3) days from the date of this Order, to all parties pooled by this Order, whose addresses are known.

14. Special Finding: That Applicant exercised due diligence to locate each of the respondents subject to the Application in this Cause and that a bona fide effort was made to reach an agreement with each respondent. 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 and common source of supply as a unit; that the Applicant has proposed the drilling of a well on said unit and to develop said common source of supply. That the Operator, hereinabove named, is the owner of the right to drill on said drilling and spacing unit and to develop and produce said common source of supply. Additionally, the common sources of supply in the Application will be developed in a prudent manner and elections and development should be in the aggregate for the common sources of supply. Additionally, parties who elect a cash bonus or are deemed to have elected a cash bonus will be required to provide a W9 Form to receive said bonus payment.

15. 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.

DONE AND PERFORMED this 11 day of Dec, 2017.

CORPORATION COMMISSION OF OKLAHOMA

Dana L. Murphy
DANA L. MURPHY, Chairman

J. TODD HIETT, Vice Chairman

Bob Anthony
BOB ANTHONY, Commissioner

ATTEST:

Peggy Mitchell
PEGGY MITCHELL, Commission Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

THE FOREGOING FINDINGS AND ORDER ARE THE REPORT AND RECOMMENDATIONS OF THE ADMINISTRATIVE LAW JUDGE.

Curtis N. Johnson
CURTIS JOHNSON, Administrative Law Judge — 11-21-17 Date

Kathleen M. McKeown
Reviewer — 11/22/17 Date

Approved as to form and content: _____

EXHIBIT "A"

APPLICANT: CASILLAS PETROLEUM RESOURCE PARTNERS, LLC
CAUSE CD NO.: 201706692-T
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RESPONDENTS WITH KNOWN ADDRESSES

1. ANNASTIN ENERGY LLCP
P.O. BOX 57674
OKLAHOMA CITY, OKLAHOMA 73112

2. APACHE CORPORATION
2000 POST OAK BOULEVARD, SUITE 100
HOUSTON, TX 77056

3. CONTINENTAL RESOURCES, INC.
20 N. BROADWAY
OKLAHOMA CITY, OKLAHOMA 73102

4. EOG RESOURCES, INC.
3817 N.W. EXPRESSWAY #500
OKLAHOMA CITY, OK 73112

5. GAEDEKE HOLDINGS, VII, LTD.
3817 NW EXPRESSWAY SUITE 840
OKLAHOMA CITY, OKLAHOMA 73112

6. NEWCASTLE ENERGY, LLC
P.O. BOX 12603
OKLAHOMA CITY, OKLAHOMA 73157

7. STATE OIL COMPANY, LLC
P.O. BOX 1888
ARDMORE, OKLAHOMA 73402

8. **(SEE BELOW)**

9. THE UNKNOWN HEIRS, DEVISEES AND SUCCESSORS IN INTEREST TO CLARK BASS, DECEASED
P.O. BOX 948
MCALESTER OK 74502

10. DORCAS MCGUINESS F/K/A DORCAS ENGLAND
256 PERRY CABIN DR.
MICHAELS MD 21663

11. JAMES O. WOOD FAMILY LIMITED PARTNERSHIP
383 BRIDLEWOOD DR.
MEAD, OK 73449-6013

12. MICHELLE L. KINGSTON SEPARATE PROPERTY TRUST 2014 MICHELLE L. KINGSTON TRUSTEE
C/O BOKF NA DBA BANK OF OKLAHOMA AGENT
P.O. BOX 1588
TULSA OK 74101

13. NORTHWEST ROYALTY LLC
P.O. BOX 20310
OKLAHOMA CITY OK 73156

14. PATTE ABBOTT WALLACE
P.O. BOX 606
NORMAN OK 73070

15. SHIRLEY D. CURRY
7954 S. IRVINGTON AVE.
TULSA OK 74136

16. THOMAS JOSEPH O'DEA
925 ARBOGAST ST.
SHOREVIEW NM 55126

17. LAND RUN ROYALTIES, LLC
105 NORTH HUDSON, #650
OKLAHOMA CITY, OK 73102

18. LINN ENERGY HOLDINGS, LLC
14701 HERTZ QUAIL SPRINGS PARKWAY
OKLAHOMA CITY, 73134

19. OKIE ENERGY GROUP, III, LLC
1141 N. ROBINSON, #400
OKLAHOMA CITY, OK 73103

20. **R.D. WILLIAMS & COMPANY**
P.O. BOX 516
ARDMORE, OK 73402

21. WARWICK-MINERVA LLC
6608 N WESTERN AVENUE BOX 417
OKLAHOMA CITY OK 73116

22. DALE EXPLORATION LLC
2100 ROSS AVENUE, SUITE 1870
DALLAS TEXAS 75210

23. NEW CASTLE ENERGY LLC
PO BOX 57674
OKLAHOMA CITY OK 73157

EXHIBIT "A"

APPLICANT: CASILLAS PETROLEUM RESOURCE PARTNERS, LLC
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24. ANNASTIN INVESTMENTS LLC
701 N BROADWAY SUITE 120
OKLAHOMA CITY OK 73102

25. LIBERTY MINERALS LLC
1405 4TH AVE NW, PMB 254
ARDMORE OK 73401

26. NEXUS BSP LLC
1512 LARIMER STREET, SUITE 150
DENVER CO 80202

27. CRISTINA BYRD-BROWN, AKA CRISTIE BYRD, AKA CRISTINA BYRD
8343 E INDIAN SCHOOL RD
SCOTTSDALE , AZ 85251

28. TPR MID CONTINENT LLC
9020 NORTH CAPITAL OF TEXAS HWY,
BUILDING 1 SUITE 170
AUSTIN, TX 78759

29. TPR MID CONTINENT LLC
9020 NORTH CAPITAL OF TEXAS HWY,
BUILDING 1 SUITE 170
AUSTIN TX 78759

30. PANHANDLE OIL AND GAS INC., FORMERLY PANHANDLE ROYALTY COMPANY
5400 N. GRAND BOULEVARD, SUITE 300
OKLAHOMA CITY, OK 73112

31. **(DISMISSED)**

32. NATIVE EXPLORATION OPERATING, LLC
P.O. BOX 1693
OKLAHOMA CITY, OK 73101

33. NATIVE EXPLORATION OPERATING, LLC
P.O. BOX 1693
OKLAHOMA CITY, OK 73101

34. NATIVE EXPLORATION HOLDINGS, LLC
P.O. BOX 1693
OKLAHOMA CITY, OK 73101

35. NATIVE EXPLORATION MINERALS, LLC
P.O. BOX 1693
OKLAHOMA CITY, OK 73101

36. OSAGE OIL AND GAS PROPERTIES
2200 NW 50TH, SUITE 112E
OKLAHOMA CITY, OK 73112

37. PATRICK L. ROBINSON
7036 SHAWNEE ST.
AURORA, CO 80016

38. L3 RESOURCES, LLC, A TEXAS LIMITED PARTNERSHIP
1113 VINE ST., #121
HOUSTON, TX 77002

39. NICHOLAS ROYALTY, LLC
P.O. BOX 2707
EDMOND, OK 73083

40. VENTANA EXPLORATION AND PRODUCTION LLC
5600 N. MAY AVENUE, SUITE #190
OKLAHOMA CITY, OK 73112

41. **(DISMISSED)**

42. NEWFIELD EXPLORATION MID-CONTINENT INC.
24 WATERWAY AVENUE, SUITE 900
THE WOODLANDS, TX 77380

EXHIBIT "A"

APPLICANT: CASILLAS PETROLEUM RESOURCE PARTNERS, LLC
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RESPONDENTS WITH UNKNOWN ADDRESSES

8. THE KNOWN HEIRS, DEVISEES AND SUCCESSORS IN INTEREST TO BILLYE ABBOTT, DECEASED
(LAST KNOWN ADDRESS)
1230 DIXON ST.
DURANT OK 74701

43. HEADLEY ABBOTT, DECEASED
44. LAWTON ENGLAND, DECEASED
45. PAULINE BASS, PRESUMED DECEASED
46. RUSSELL ENGLAND, PRESUMED DECEASED

If living, or if deceased, the known and unknown heirs, devisees, executors, administrators, successors, trustees and/or assigns, immediate and remote, of the above named parties.