BEFORE THE CORPORATION COMMISSION

OF THE STATE OF OKLAHOMA

COURT CLERK'S OFFICE - OKC **CORPORATION COMMISSION**

APPLICANT:

CONTINENTAL RESOURCES, INC.

OF OKLAHOMA

RELIEF SOUGHT:

HORIZONTAL WELL

DRILLING AND SPACING UNITS

CAUSE CD NO.

LEGAL DESCRIPTION:

SECTION 10,

201502095

TOWNSHIP 16 NORTH, RANGE 10 WEST,

BLAINE COUNTY, OKLAHOMA

<u>APPLICATION</u>

Parties: Applicant is Continental Resources, Inc., P.O. Box 269091, Oklahoma City, Oklahoma 73126. The attorney for Applicant is Karl F. Hirsch of the law firm Hirsch, Heath & White, PLLC, 901 Cedar Lake Boulevard, Oklahoma City, Oklahoma; (405) 235-1768. Applicant is the owner of the right to drill a well into and produce hydrocarbons from the hereinafter named common sources of supply. The name and address of each party being named as a respondent to this Application is shown on Exhibit "A" attached hereto and made a part hereof.

Allegation of Facts: 2.

- 2.1.a. By Order No. 426226, the Corporation Commission established 160-acre drilling and spacing units for the production of oil and gas from the Mississippian Chester common source of supply underlying Section 10, Township 16 North, Range 10 West, Blaine County, Oklahoma.
- 2.1.b. Since the date of the entry of the aforementioned order, additional or new data has been obtained sufficient to show a substantial change in conditions or change in knowledge of conditions and it now appears the aforementioned order should be amended and reformed. In order to protect correlative rights, obtain the greatest ultimate recovery of oil and gas and to prevent the various types of waste, Applicant believes Order No. 426226 should be vacated insofar as it established 160-acre drilling and spacing units for the Mississippian Chester common source of supply underlying the E/2 and SW/4 of Section 10. The 640-acre horizontal units to be created for the Mississippian common source of supply shall exist concurrently with the 160-acre units as to the NW/4 of Section 10 where the Continental Trend Otto Strack #1 wellproduces from the Mississippian and Hunton common sources of supply.
- 2.2.a. By Order No. 168134, corrected by Order No. 169097, the Corporation Commission established 160-acre drilling and spacing units for the production of oil and gaze from the Mississippi Solid and Hunton common sources of supply underlying Section 105 Township 16 North, Range 10 West, Blaine County, Oklahoma.

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- 2.2.b. Since the date of the entry of the aforementioned order, additional or new data has been obtained sufficient to show a substantial change in conditions or change in knowledge of conditions and it now appears the aforementioned order should be amended and reformed. In order to protect correlative rights, obtain the greatest ultimate recovery of oil and gas and to prevent the various types of waste, Applicant believes Order No. 168134, corrected by Order No. 169097, should be vacated insofar as it established 160-acre drilling and spacing units for the Mississippi Solid and Hunton common sources of supply underlying the E/2 and SW/4 of Section 10. The 640 acre horizontal well units to be created for the Mississippian and Hunton common sources of supply shall exist concurrently with the 160 acre units as to the NW/4 of Section 10 where the Continental Trend Otto Strack #1 well produces from the Mississippian and Hunton common sources of supply.
- 2.3.a. By Order No. 76988, the Corporation Commission established 640-acre drilling and spacing units for the production of oil and gas from the Atoka-Morrow common source of supply underlying Section 10, Township 16 North, Range 10 West, Blaine County, Oklahoma.
- 2.3.b. Since the date of the entry of the aforementioned order, additional or new data has been obtained sufficient to show a substantial change in conditions or change in knowledge of conditions and it now appears the aforementioned order should be amended and reformed. In order to protect correlative rights, obtain the greatest ultimate recovery of oil and gas to prevent the various types of waste, Applicant believes Order No. 76988 should be vacated insofar as it established 640-acre drilling and spacing units for the Atoka-Morrow common source of supply underlying Section 10.
- 2.4.a. By Order No. 639444, the Corporation Commission established 640-acre horizontal well drilling and spacing units for the production of oil and gas from the Mississippian, Woodford and Hunton common sources of supply underlying Section 3, Township 16 North, Range 10 West, Blaine County, Oklahoma. Applicant believes the Mississippian, Woodford and Hunton common sources of supply are prospective common sources of supply underlying Section 10, Township 16 North, Range 10 West, Blaine County, Oklahoma, for development by the drilling of a horizontal well(s) and the establishment of horizontal well drilling and spacing units.
- 2.4.b. To protect correlative rights, obtain the greatest ultimate recovery of oil and gas and prevent the various types of waste, Applicant believes the Corporation Commission should create 640-acre acre horizontal well drilling and spacing units for the production of oil and gas from the Mississippian, Woodford and Hunton common sources of supply underlying the captioned property by extension of Order No. 639444 from Section 3 into Section 10.
- 2.4.c. Section 10 shall comprise one horizontal well unit and the perforated interval of the horizontal wellbore for the Woodford common source of supply shall be located anywhere within the unit no closer than 330 feet from the east or west horizontal well unit

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boundary and no closer than 165 feet from the north or south horizontal well unit boundary and for the Mississippian and Hunton common sources of supply shall be located anywhere within the unit no closer than 660 feet from the horizontal well unit boundary.

2.4.d. Horizontal well unit(s) may exist concurrently with producing non-horizontal drilling and spacing units and horizontal well unit(s) shall supersede existing non-developed non-horizontal drilling and spacing units. The 640 acre horizontal well units to be created for the Mississippian and Hunton shall exist concurrently with the 160 acre units as to the NW/4 of Section 10 where the following well is located:

Continental Trend	Otto Strack #1	NW/4 of Section 10	Mississippian, Hunton

- 2.5.a. Applicant believes the Douglas, Tonkawa, Cottage Grove, Hogshooter, Cleveland, Big Lime, Oswego, Atoka and Morrow common sources of supply are prospective common sources of supply underlying Section 10, Township 16 North, Range 10 West, Blaine County, Oklahoma. To protect correlative rights, obtain the greatest ultimate recovery of oil and gas and prevent the various types of waste, Applicant believes the Corporation Commission should establish 640-acre drilling and spacing units for the production of oil and gas from the Douglas, Tonkawa, Cottage Grove, Hogshooter, Cleveland, Big Lime, Oswego, Atoka and Morrow common sources of supply underlying Section 10.
- 2.5.b. Each governmental section shall comprise one unit with the permitted well location no closer than 1,320 feet from the governmental section boundary.
- 2.6. Attached to this Application and marked as Exhibit "B" is a plat showing the drilling and spacing units requested together with any drilling and spacing units abutting or overlapping said properties.
 - 3. Legal Authority: Title 52, Sections 87.1 and 112, O.S.
- Relief Sought: Applicant requests the Oklahoma Corporation Commission enter an Order, to be effective as of the date of the execution thereof or as of a date prior thereto: vacating Order No. 426226 insofar as said Order established 160-acre drilling and spacing units for the Mississippian Chester common source of supply underlying the E/2 and SW/4 of Section 10; vacating Order No. 168134, corrected by Order No. 169097, insofar as said Orders established 160-acre drilling and spacing units for the Mississippi Solid and Hunton common sources of supply underlying the E/2 and SW/4 of Section 10; except the 640-acre horizontal well units to be created for the Mississippian and Hunton shall exist concurrently with the 160-acre units as to the NW/4 of Section 10 where the Continental Trend Otta Strack #1 well produces from the Mississippian and Hunton common sources of supply; vacating Order No. 76988 insofar as said Order established 640-acre drilling and spacing units for the Atoka-Morrow common source of supply underlying Section 10; establishing standard 640-acre drilling and spacing units for the Douglas, Tonkawa, Cottage Grove, Hogshooter, Cleveland, Big Lime,

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Oswego, Atoka and Morrow common sources of supply underlying Section 10 with permitted well location anywhere within the unit no closer than 1,320 feet from a unit boundary; and, creating 640-acre horizontal well drilling and spacing units for the Mississippian, Woodford and Hunton common sources of supply underlying Section 10, by the extension of Order No. 639444 from Section 3, into Section 10, all in Township 16 North, Range 10 West, Blaine County, Oklahoma, with Section 10 comprising one horizontal well unit and the perforated interval of the horizontal wellbore for the Woodford common source of supply shall be located anywhere within the unit no closer than 330 feet from the east or west horizontal well unit boundary and for the Mississippian and Hunton common sources of supply shall be located anywhere within the unit no closer than 660 feet from the horizontal well unit boundary.

CONTINENTAL RESOURCES, INC.

Karl F. Hirsch, OBA No. 4232 HIRSCH, HEATH & WHITE, PLLC

901 Cedar Lake Boulevard

Oklahoma City, Oklahoma 73114

Telephone: (405) 235-1768 Facsimile: (405) 608-4913 khirsch@hhwlawfirm.com Attorneys for Applicant Application of Continental Resources, Inc. Cause CD No. 2015 ____ Exhibit "A" To Application Page 5

RESPONDENTS WITH KNOWN ADDRESSEES:

- Gary M. Quintle
 24201 N. 2720 Road
 Kingfisher, Oklahoma 73750
- Lonnie E. Cox and Annette M. Cox, Trustees, or their successors in trust, under the Cox Living Trust, dated October 25, 2000
 396 Morning Star Circle Benton, Arkansas 72015
- Newfield Exploration Mid-Continent, Inc.
 One Williams Center Suite 1900
 Tulsa, Oklahoma 74172

RESPONDENTS WITH UNKNOWN OR UNLOCATABLE ADDRESSES (with last known addresses if available):

None.

And if any of the above are deceased or no longer in business, their unknown heirs, devisees, executors, administrators, trustees, successors and assigns, immediate and remote.

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Application	
Cause CD No. 201	

Exhibit "B" Cause No.

All 2,3,4,9,10,11,14,15,16, 16N-10W Blaine County

4 1,2,3,4,5, 11,18,32,33	3 1,8,10,21,31	2 7,8,10,18		
9 1,6,11,13,14,16, 17,19,20,32,34	10 1,2,8,10,11,18	11 7,8,9,10, 11,18,24		
16 6,11,12,14, 15,17,19,22, 23,25,26,27,28	2,5,10,11,14, 15,18,19,23, 26,28,29,30	14 2,8,10,18		

	Source No.	Common Source of Supply	Acre	Product	S/L	Order No.	Lands Affected
1.	2179	Atoka-Morrow	640	GGC		76988	All 3,4,9,10, 16N-10W
2.	4563	Cherokee	640	GGC		169886	All 4,10,14,15, 16N-10W
3.	4567	Meramec	640	GGC		413142	All 4, 16N-10W
4.	4568	Osage	640	GGC		413142	All 4, 16N-10W
5.	6668	Mississippi Chester Lime	640	GGC		76988	All 4,15, 16N-10W
6.	6668	Mississippi Chester	80	PO	SU	76988 as Reformed by 221544 76988 as Reformed by 238935	All 16, 16N-10W
7,	7444	Red Fork	160	GGC		192221	All 2,11, 16N-10W
8.	7445	Mississippian Chester	160	GGC		189055** 260856** 426226** 249274** as Corrected by NPT 252403**	All 2,11, 16N-10W NE 3, 16N-10W All 10, 16N-10W All 14, 16N-10W
9,	7446	Manning	160	GGC		527546	SE 11, 16N-10W
10,	7447	Mississippi (Solid)***	160	GGC		168134 as Corrected by 169097	All 2, NE 3, All 10,11,14,15, 16N-10W
11.	8426	Viola Dolomite	640	GGC		169886	All 4,9,10,11,15,16, 16N-10W

12.	12677	Hunton	640	Gas		586637	All 16, 16N-10W
13.	12677	Hunton	80	PÓ	SU	167297 as Reformed by 221544	All 9, 16N-10W
14.	12971	Tonkawa Cottage Grove Cleveland	640	GGC		167297 598582	All 9,16, 16N-10W All 15, 16N-10W
15.	12971	Oswego	640	GGC		598582 167297	All 15, 16N-10W All 16, 16N-10W
16.	12971	Oswego	80	PO	ŞU	167297 as Reformed by 221544	All 9, 16N-10W
17.	12971	Skinner Red Fork	640	GGC		167297	All 9,16, 16N-10W
18.	13386	Hunton***	160	Oil		168134 as Corrected by 169097	All 2,4,10,11,14,15, 16N-10W
19.	13461	Springer	640	GGC		167297 598582	All 9,16, 16N-10W All 15, 16N-10W
20.	17605	Woodford	80	O&G	SU	221544	All 9, 16N-10W
21.	19894	Cherokee Viola Dolomite	160	Gas		260856	All 3, 16N-10W
22.	21147	Mississippi Lime	640	GGC		586637	All 16, 16N-10W
23.	22345	Arbuckle	640	GGC		586637 598582	All 16, 16N-10W All 15, 16N-10W
24.	30032	Inola Cleveland Big Lime Oswego Prue	160	Gas		527546	SE 11, 16N-10W
25.	33127	Inola	640	GGC		586637	All 16, 16N-10W
26.	33145	Hogshooter Checkerboard Woodford Sylvan Simpson	640	GGC		586637 598582	All 16, 16N-10W All 15, 16N-10W
27.	33145	Kinderhook	640	GGC		586637	All 16, 16N-10W
28.	33572	Atoka Morrow	640	GGC		586637 598582	All 16, 16N-10W All 15, 16N-10W
29.	34802	Lovell Layton	640	GGC		598582	All 15, 16N-10W
30.	34806	Mississippi Solid Hunton	640	GGC	 	598582	All 15, 16N-10W*
31.	37656	Mississippian Woodford Hunton	640	Oil		639444	All 3, 16N-10W*
32.	CD-201 408942	Felix Energy, LLC				-	All 4,9, 16N-10W
33.	CD-201 500727	Continental Resources, Inc.		,			All 4, 16N-10W*
34.	CD-201 500839	Continental Resources, Inc.			·		All 9, 16N-10W*

^{*}Horizontal Unit

**Nomenclature for extension is different than the nomenclature for the initial spacing of this source

***Spacing Superseded for Duration of 640A Horizontal Unit (So. 34806)