BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT:

LORI WROTENBERY,

DIRECTOR OF OIL AND GAS CONSERVATION DIVISION OKLAHOMA CORPORATION

COMMISSION

COURT CLERK'S OFFICE - OKC CORPORATION COMMISSION OF OKLAHOMA

CAUSE C.D. NO.

200902831

RELIEF SOUGHT: DETERMINATION OF ALLOWABLES REGARDING WELLS IN CERTAIN SPECIAL ALLOCATED GAS POOLS

APPLICATION

COMES NOW Lori Wrotenbery, Director of the Oil and Gas Conservation Division, Oklahoma Corporation Commission, and shows to the Commission as follows:

I. **PARTIES:**

- Α. That the Applicant is Lori Wrotenbery, Director of the Oil and Gas Conservation Division, Oklahoma Corporation Commission, Jim Thorpe Building, 2101 North Lincoln Boulevard, Oklahoma City, Oklahoma, 73105.
- B. That the Respondents are listed by name and address in the Affidavit of Mailing filed in this cause.

11. **ALLEGATIONS OF FACTS:**

- A. That Order No. 82847, as amended, among others, by Order No. 97531, established field rules for the production of natural gas from the Red Oak, Spiro (Basal Atoka) and Fanshawe common sources of supply underlying portions of Haskell, Latimer and LeFlore Counties, Oklahoma, designated the Red Oak Fanshawe Pool 456, the Red Oak Red Oak Pool 457 and the Red Oak Spiro Pool 458. The Commission found in Order No. 82847 that the supply of natural gas from such common sources of supply was in excess of the market demand for such gas. Commission rules also affect the production of natural gas from such pools.
- B. That Order No. 17867, as amended, among others, by Order No. 99440, established field rules for the production of natural gas from the Guymon Hugoton Pool (Pool 182) in Texas County, Oklahoma, on the grounds that the production of gas from wells in such pool was greatly in excess of the market demand for such gas. Commission rules also affect the production of natural gas from such pool.

- C. That Order No. 141156 established field rules for the production of gas from the Upper Morrow Sand common source of supply underlying portions of Roger Mills County, Oklahoma, designated the West Cheyenne Upper Morrow Pool 136. Commission rules also affect the production of natural gas from such pool.
- D. The Commission has previously issued orders determining the amount of gas to be produced from various special allocated pools, the most recent of which is Order No. 564811 which issued in Cause CD No. 200808626 on January 29, 2009, for the months of February, 2009, through July, 2009, which Order involved the above-referenced pools.
- E. That amendments to OAC 165:10-17-9 concerning special allocated gas pools, which amendments were included in Cause RM No. 200900001, recently became effective. Such amendments provide that the Commission, upon finding in a market demand hearing that the supply of natural gas from the common sources of supply comprising the above-referenced pools is less than the market demand, and that expectations are the supply will continue to be less than the market demand, shall suspend special field rules calculations for determining allowables for wells in such pools. The recent amendments to OAC 165:10-17-9 also provide that any such suspension of special field rules calculations shall be effective until such time that the supply of natural gas from such pools exceeds the market demand for the natural gas, and during such suspension the gas allowables for wells in such pools shall be determined as stated in OAC 165:10-17-9.

III. LEGAL AUTHORITY:

OAC 165:10-17-9, 165:10-1-36 through OAC 165:10-1-37.

IV. RELIEF SOUGHT:

WHEREFORE, Applicant requests that the Commission determine whether the supply of natural gas from the common sources of supply included in and covered by the Red Oak Fanshawe Pool 456, the Red Oak Red Oak Pool 457, the Red Oak Spiro Pool 458, the Guymon Hugoton Pool 182 and the West Cheyenne Upper Morrow Pool 136 is less than the market demand so as to warrant suspension of special field rules calculations for determining allowables for wells in such pools, whether the gas allowables for wells in such pools should be determined as provided in OAC 165:10-17-9 during any such suspension of

special field rules calculations, and that an order issue in this cause consistent with such determinations.

V. SPECIAL RELIEF SOUGHT:

That as Order No. 564811 which issued in Cause CD No. 200808626 on January 29, 2009, determining the amount of gas to be produced from the Red Oak Fanshawe Pool 456, the Red Oak Red Oak Pool 457, the Red Oak Spiro Pool 458, the Guymon Hugoton Pool 182 and the West Cheyenne Upper Morrow Pool 136 for the months of February, 2009, through July, 2009, Applicant requests that any order which issues in this cause be made effective as of August 1, 2009.

Respectfully submitted,

Susan Dennehy Conrad, OBA No. 12249

Assistant General Counsel

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Oklahoma Corporation Commission

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