EXTENSION OF TEMPORARY ABANDONMENT STATUS

After due notice and public hearing in Hot Springs, Arkansas, on February 22, 2017, the Arkansas Oil and Gas Commission (the “Commission”), in order to prevent waste, carry out an orderly program of development and protect the correlative rights of each owner in the common source(s) of supply in this unit, has found the following facts and issued the following Order.

STATEMENT OF THE CASE

Keeler Investment Group LLC, (the “Applicant”) is seeking an extension of Temporary Abandonment Status for its Freeman B 1-18 (Permit # 29009) well located in Section 18, Township 11 North, Range 23 West, Johnson County, Arkansas.

FINDINGS OF FACT

Based upon the Application as filed, the exhibits as introduced and made a part of the record inclusive of those offered on behalf of the Commission, and the testimony of the witness for and on behalf of the Applicant in said proceeding, the Commission finds:

1. That, the Applicant was granted Temporarily Abandonment status for its Freeman B 1-18 well located in Section 18, Township 11 North, Range 23 West, Johnson County, Arkansas, on August 28, 2013. This status could last for a three year period with full compliance.

2. That a Notice of Non-Compliance was issued to Applicant on November 3, 2016, informing the Applicant that the temporary abandonment status had expired.

3. That Applicant requests that the temporary abandonment status for the well described in Finding No. 1 be extended for one year, until August 28, 2017.

4. That the Commission found that in order for temporary abandonment status of the well described in Finding No.1 above to be extended by up to one additional year from its original expiration date, Applicant must comply with all applicable conditions of General Rule B-7, and meet the following conditions:

   a. That Applicant shall secure bids for the plugging and abandonment of the well from third-party contractor.

   b. That Applicant shall submit copies of the plugging bid to the AOGC.

   c. That Applicant shall provide additional financial assurances for the well, individually, equal to the plugging bid amount.

   d. That Applicant shall be prohibited from transferring the well described in Finding No. 1 above without first obtaining approval through a hearing before the Commission.
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5. That no objections were filed.

CONCLUSIONS OF LAW

1. That this Commission has jurisdiction over said parties and the matter herein considered.

2. That this Commission has authority to grant or deny the Application under the provisions of Act No. 105 of 1939, as amended.

ORDER

Now, therefore, it is Ordered that the temporary abandonment status of the well described in Finding No. 1 above shall be extended until August 28, 2017, as long as all applicable criteria of General Rule B-7 are met, and under the following conditions:

1. That Applicant shall secure bids for the plugging and abandonment of the well from third-party contractor.

2. That Applicant shall submit copies of the plugging bid to the AOGC.

3. That Applicant shall provide additional financial assurances for the well, individually, equal to the plugging bid amount.

4. That Applicant shall be prohibited from transferring the well described in Finding No. 1 above without first obtaining approval through a hearing before the Commission.

If the Applicant fails to comply with items 1 through 3 above within sixty (60) days of the effective date of this Order, then the temporary abandonment status shall automatically expire.

This Order shall be effective from and after March 06, 2017 and the Commission shall have continuing jurisdiction for the purposes of enforcement, and/or modifications or amendments to the provisions of this Order.

ARKANSAS OIL AND GAS COMMISSION

[Signature]
Lawrence E. Bengal
Director