

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY

ORDER OF THE SUPERVISOR OF WELLS

IN THE MATTER OF:

THE PETITION OF SUMMIT PETROLEUM)
CORPORATION, FOR AN ORDER FROM THE)
SUPERVISOR OF WELLS FORMING AN 80-ACRE)
DUNDEE, DETROIT RIVER GROUP, AND SYLVANIA) CAUSE NO. 10-2015
SANDSTONE FORMATION DRILLING UNIT AND)
STATUTORILY POOLING ALL INTERESTS INTO)
THE DRILLING UNIT IN RIVERSIDE TOWNSHIP,)
MISSAUKEE COUNTY, MICHIGAN.)

AMENDED OPINION AND ORDER

at a session of the Department of Environmental Quality held
at Lansing, Michigan, Harold R. Fitch, Assistant Supervisor
of Wells, Presiding

On August 24, 2016, the Petitioner filed a Motion to Amend Order No. 10-2015 to Extend Time to Drill Well requesting relief from Order No. 10-2015, effective March 3, 2016. Order No. 10-2015 (i) formed an 80-acre Dundee and Detroit River Group Formation drilling unit for the Hamilton 1-15 well described therein, which was later renamed the Riverside 1-15A well; (ii) appointed Summit Petroleum Corporation as the operator of the Riverside 1-15A (Hamilton 1-15) well and directed the Petitioner to complete the drilling of the well on or before September 1, 2016; and (iii) ordered the statutory pooling of all properties, parts of properties, and interests within the drilling unit.

The Petitioner in its Motion states that following the issuance of the Order, the Petitioner was informed of additional requirements to be imposed on the drilling permit due to the existence of a gas storage field. The Petitioner requests additional time to evaluate its drilling options given the proposed requirements. Also, prevailing market prices for produced oil and natural gas make commencing drilling of the Riverside 1-15A well by September 1, 2016, not economically prudent. The Petitioner requests an extension of the time to commence drilling the Riverside 1-15A well until September 1, 2017. The

Petitioner served the Motion on all statutorily pooled owners and indicated no pooled owner had elected to participate in the well.

DETERMINATION AND ORDER

NOW, THEREFORE, IT IS ORDERED THAT:

Paragraph 3 of the Determination and Order section of the original Opinion and Order No. 10-2015, effective March 3, 2016, is hereby amended to provide as follows:

3. The Petitioner is named Operator of the Riverside 1-15A well. The Operator shall commence the drilling of the Riverside 1-15A well on or before September 1, 2017, or the statutory pooling authorized in the Order shall be null and void as to all parties and interests. This pooling Order applies to the drilling of the Riverside 1-15A well only.

All other provisions of the original Opinion and Order No. 10-2015, effective March 3, 2016, are reaffirmed.

DATED: Aug. 31, 2016


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