

THE APPLICATION OF HALEX OIL CORPORATION TO RESCIND THE FIELD RULES FOR THE PHEASANT (EBERSTEIN) FIELD, MATAGORDA COUNTY, TEXAS

REVIEWED BY: Richard D. Atkins, P.E.

DATE OF REVIEW: June 26, 2012

EXAMINER'S REPORT AND RECOMMENDATION

DISCUSSION

Halex Oil Corporation ("Halex") requests that the Field Rules for the Pheasant (Eberstein) Field be rescinded. The Field Rules for the field were adopted by Final Order No. 3-47,035, effective October 25, 1961. The Field Rules in effect for the field are summarized as follows:

1. 467'-1,320' well spacing;
2. 80 acre density;
3. Allocation based on 100% acreage.

There are no wells listed on the current proration schedule for the field and there have not been any for the preceding 24 months. There has been no production from the field since February 1986 and no drilling permits have been issued for the field during the preceding 24 months.

FINDINGS OF FACT

1. Notice of this application was not required because there are no operators listed in the Pheasant (Eberstein) Field.
2. The Field Rules for the Pheasant (Eberstein) Field were adopted by Final Order No. 3-47,035, effective October 25, 1961.
3. The Field Rules in effect for the field provide for 467'-1,320' well spacing, 80 acre density and allocation based on 100% acreage.
4. There are no wells listed on the current proration schedule for the field and there have not been any for the preceding 24 months.
5. There has been no production from the field since February 1986 and no drilling permits have been issued for the field during the preceding 24 months.

CONCLUSIONS OF LAW

1. Canceling the Field Rules for the Pheasant (Eberstein) Field will not cause waste or harm correlative rights and will promote development of the field.

RECOMMENDATION

Based on the above findings of fact and conclusions of law, the examiner recommends that the Commission cancel the Field Rules for the Pheasant (Eberstein) Field and that the field operate under Statewide Rules, as requested by Halex Oil Corporation.

Respectfully submitted,

Richard D. Atkins, P.E.
Technical Examiner