

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 7B-0289290**

**IN THE CORSICA (BEND
CONGLOMERATE) FIELD,
STONEWALL , COUNTY, TEXAS**

**FINAL ORDER
AMENDING AND RENUMBERING FIELD RULES
FOR THE CORSICA (BEND CONGLOMERATE) FIELD,
STONEWALL COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 2, 2014, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the following Field Rules for the Corsica (Bend Conglomerate) Field, Stonewall County, Texas, established on November 3, 1953 in Docket No. 125, 7-27,686, are hereby amended and renumbered as follows:

RULE 1: The entire correlative interval from 5,950 feet to 6,020 feet as shown on the Schlumberger electric log of the Corsica/Bend Conglomerate/Unit, Well No. 17 (formerly known as the Skelly Oil Co., G. D. Franklin Well No. 1), API No. 42-433-01457, located in Section 3, Block B, AB&M Survey, A-10; Stonewall County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Corsica (Bend Conglomerate) Field.

RULE 2: No well for oil or gas shall hereafter be drilled nearer than **THREE HUNDRED AND THIRTY (330)** feet to any property line, lease line, or subdivision line and no well shall be drilled nearer than **THREE HUNDRED AND THIRTY (330)** feet to any applied for, permitted or completed well in the same reservoir on the same lease, pooled unit or unitized tract. There is no minimum between well spacing limitation between horizontal and vertical wells. The aforementioned distances in the above rule are minimum

distances to allow an operator flexibility in locating a well; and the above spacing rule and the other rules to follow are for the purpose of permitting only one well to each drilling and proration unit. Provided however, that the Commission will grant exceptions to permit drilling within shorter distances and drilling more wells than herein prescribed, whenever the Commission shall have determined that such exceptions are necessary either to prevent waste or to prevent the confiscation of property. When exception to these rules is desired, application therefor shall be filed and will be acted upon in accordance with the provisions of Commission Statewide Rules 37 and 38, which applicable provisions of said rules are incorporated herein by reference.

In applying this rule, the general order of the Commission with relation to the subdivision of property shall be observed.

RULE 3: The acreage assigned to individual oil or gas well for the purpose of allocating allowable production shall be known as a proration unit. The standard drilling and proration units are established hereby to be FORTY (40) acres. No proration unit shall consist of more than FORTY (40) acres; provided that after the drilling of the last well on the lease and the assignment of acreage to each well thereon in accordance with the rules of the Commission there remains an additional unassigned acreage of less than FORTY (40) acres, then in such event the remaining unassigned acreage up to and including a total of FORTY (20) acres may be assigned as tolerance acreage to the last well drilled on such lease or may be distributed among any group of wells located thereon, so long as the proration units resulting from the inclusion of such additional acreage may meet the limitations prescribed by the Commission. Each proration unit containing less than FORTY (40) acres shall be a fractional proration unit. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of oil or gas. No double assignment of acreage will be accepted.

An operator, at his option, shall be permitted to form optional drilling units of TWENTY (20) acres. A proportional acreage allowable credit will be given for a well with a fractional proration unit.

For the determination of acreage credited in this field, operators shall file for each oil or gas well in this field a Form P-15, Statement of Productivity of Acreage Assigned to Proration Units. On that form or an attachment thereto, the operator shall list the number of acres that are being assigned to each well on the lease or unit for proration purposes. For oil or gas wells operators shall be required to file, along with Form P-15, a plat of the lease, unit, or property in the field, provided such plats shall not be required to show individual proration units or wells other than the well for which the Form P-15 is being filed. There is no maximum diagonal limitation in this field.

RULE 4: The Corsica (Bend Conglomerate) Field shall be classified as salvage, with no regulatory limitation on oil or casinghead gas production.

Done this 16th day of September, 2014.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division Unprotected Master Order
dated September 16, 2014)**