

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

Oil & Gas Docket No. 01-0292945

APPLICATION OF BRANDER, SAM H. (088618) FOR AN EXCEPTION TO STATEWIDE RULE 21 AUTHORIZING PRODUCTION BY SWABBING, BAILING OR JETTING FOR WELL NOS. 1, 2, 3 AND 4 ON THE ELLIOT, B. (11596) LEASE, SOMERSET FIELD BEXAR COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice, the captioned proceeding was heard by the examiners on November 10, 2014. This proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas. The Commission makes and enters the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The operator, Brander, Sam H. (088618), presented the Commission with, and notice of hearing was sent to, the names and mailing addresses of the mineral interest owners of record and surface owners of record on the lease on which a well for which an exception is sought is located.
2. No person appeared at the call of hearing in protest of the subject exception.
3. The proposed method of production is as follows:
 - (a) The operator will recover approximately 13 gallons of oil at a time using an *Oil Hound* unit that employs a 50-foot long, 2 1/2-inch diameter flexible tube with an end-mounted check valve.
 - (b) The tube is lowered into the wellbore, where it captures the oil, then it is reeled to the surface where compressed air moves the oil into a holding bin.
 - (c) The oil is pumped from the holding bin into a trailer-mounted 13-barrel mobile tank.
 - (d) The trailer is towed to a 210-barrel oil storage tank located on the Elliot, B. lease.

- (e) The contents of the mobile tank are pumped into the lease storage tank.
4. The electrical power lines for the lease and all pumps, pipes, motors and flow lines had been removed before Brander, Sam H. became operator of record.
 5. Re-equipping the wells for production by pumping is estimated to cost \$500,000.
 6. If an exception is granted, the wells are estimated to produce a total approximately 30 barrels of oil per month, or 360 barrels of oil per year.
 7. It is impracticable to require the wells to be re-equipped for production by pumping.
 8. Each wellhead is equipped with threaded caps on 4½-inch casing, which is sufficient to prevent releases from the well.
 9. The subject wells are approximately 1500 feet total depth and each is equipped with one string of 4½-inch steel casing, set from total depth to surface, with cement circulated to surface.
 10. The depth of usable quality water is 650 feet.
 11. The operator has access to the subject acreage pursuant to an October 2, 2013 Oil, Gas and Mineral lease containing a 5-year primary term.
 12. The reservoir from which the well produces does not contain hydrogen sulfide.
 13. The operator has a history of compliance with Commission rules.
 14. The operator has filed its blanket financial assurance in the form of a \$50,000 bond.

CONCLUSIONS OF LAW

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code §81.051
2. All affected persons have been notified of these proceedings. 16 TEX. ADMIN. CODE § 3.21(k)(1)(A)
3. Any production will be properly accounted for. 16 TEX. ADMIN. CODE §§ 3.21(k)(1)(A)(ii) and 3.26
4. The proposed exception is necessary to prevent waste or protect correlative rights. 16 TEX. ADMIN. CODE § 3.21(k)(1)(B)(iii)

5. No pollution of usable quality water or safety hazard will result from either the proposed production method or the condition of the well. 16 TEX. ADMIN. CODE § 3.21(k)(1)(B)(v)
6. The operator possesses a continuing good faith claim to operate the subject wells. 16 TEX. ADMIN. CODE § 3.21(k)(1)(B)(vi)
7. The operator has provided adequate financial assurance for the timely and proper plugging of the subject wells. 16 TEX. ADMIN. CODE § 3.21(k)(2)(D)

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of Brander, Sam H. for an exception to Statewide Rule 21 to allow production by swabbing of the following lease and wells

Elliot, B. (11596) Lease, Wells No. 1, 2, 3 and 4

in the Somerset Field, in Bexar County, Texas is hereby **GRANTED** subject to the following conditions:

CONDITIONS

1. **Wellhead Control.** All wells must remain equipped with wellhead control consistent with the requirements of Statewide Rule 13.
2. **Production Reporting.** All hydrocarbons produced must be reported consistent with the requirements of Statewide Rule 58.
3. **Intention to Plug.** The operator must file a Form W-3A (Notice of Intention to Plug and Abandon with the District Office at least five (5) days prior to beginning plugging operations. If, however, a drilling rig is already at work on location and ready to begin plugging operations, the district director or the director's delegate may waive this requirement upon request, and verbally approve the proposed plugging procedures.
4. **Notification of plugging.** The operator **MUST** call to notify the appropriate district office a minimum of four (4) hours prior to beginning plugging operations. The individual giving notification **MUST** be able to advise the district office of the docket number and all water protection depths for that location as stated in the Texas Commission on Environmental Quality letter.
5. **Plugged Wells.** Should any wells on this lease ever be plugged and abandoned, the Commission will consider such plugging and abandonment as prima facie evidence that production from said well is no longer necessary to prevent confiscation of applicant's property or to prevent waste; and upon such plugging

and abandonment, the authority for such well as granted under this permit shall cease.

6. **Permit Expiration.** This authority granted herein shall remain valid as long as Brander, Sam H. is recognized as the operator of record of the subject leases. The authority granted herein is subject to revocation by the Commission for violation of Commission Rules with respect to the subject wells and leases. This permit is not transferable.

It is further **ORDERED** that this Final Order shall be effective when the Master Order relating to this docket is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done on this the 2nd day of December, 2014.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by Hearings Divisions' Unprotested
Master Order dated December 2, 2014)**