

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 6E-0289942**

**IN THE EAST TEXAS FIELD
GREGG, RUSK, UPSHUR,
CHEROKEE, AND SMITH
COUNTIES, TEXAS**

**FINAL ORDER
AMENDING SPECIAL FIELD RULES
FOR THE EAST TEXAS FIELD
GREGG, RUSK, UPSHUR, CHEROKEE,
AND SMITH COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 21, 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 Rule 1 of the special field rules for the East Texas Field, Part II, Spacing and Drilling, is hereby amended by adoption of the following Rule 1A and Rule 1B to provide that:

RULE 1A: No well 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. 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.

RULE 1B: To deepen an existing permitted well below total depth, instead of filing a complete drilling permit application, an operator may elect to file an abbreviated drilling permit application to obtain authority to deepen a well permitted for production from the East Texas Field up to 300 feet below the current total depth of the well so long as the completion interval of the well remains within the East Texas Field interval. If the operator elects to use this abbreviated procedure, prior to commencing deepening operations, the operator must submit the appropriate drilling permit fee and a properly signed drilling permit application with the information required by boxes 1- 8, 11-13 and 26-30 of the current Form W-1 (Eff 10/04) accurately completed. The operator is not required to file a plat with the drilling permit application. In place of the plat, the operator shall file a copy of the first page of the order approving this field rule amendment. The operator may commence the operation at any time after 5 pm on the third business day following the day the drilling permit fee and abbreviated drilling permit application are filed with the Commission's Austin office. The operator must submit completion papers to report the operation and completion performed under this rule in accordance with the provisions of Statewide Rule 16.

Done this 27th day of January, 2015.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotected Master
Order dated January 27, 2015)**