



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL & GAS DOCKET NO. 03-0301027**

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**THE APPLICATION OF SAMSON EXPLORATION, LLC TO CONSOLIDATE  
VARIOUS FIELDS INTO THE PROPOSED BAER RANCH (TEX-MISS CONS)  
FIELD, MATAGORDA COUNTY, TEXAS**

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**HEARD BY:** Paul Dubois – Technical Examiner  
Ryan Lammert – Administrative Law Judge

**HEARING DATE:** August 16, 2016

**CONFERENCE DATE:** September 12, 2016

**APPEARANCES:**

Jim Clark

Samson Exploration, LLC

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Samson Exploration, LLC ("Samson") seeks to consolidate five fields in Matagorda County, Texas, into a new consolidated field and to establish special field rules for the new consolidated field. Specifically, Samson seeks to consolidate the following fields into the proposed Baer Ranch (Tex-Miss Cons) Field:

1. Baer Ranch (Tex Miss #1) Field No. 04937 200
2. Baer Ranch (Tex-Miss #2) Field No. 04937 400
3. Baer Ranch (Tex-Miss #3) Field No. 04937 600
4. Baer Ranch (Tex-Miss #4) Field No. 04937 800
5. Baer Ranch (Tex-Miss #6) Field No. 04937 900

In addition, Samson seeks to establish a standard suite of field rules including correlative interval, spacing and density provisions, and allocation formula. The application was not protested. The Technical Examiner and Administrative Law Judge ("Examiners") recommend Samson's application be approved.

### DISCUSSION OF THE EVIDENCE

The five gas fields that Samson proposes to consolidate are all situated in the Textularia Mississippiensis (i.e., "Tex-Miss") member of the Oligocene-aged lower Frio Formation. The field histories and summarized below:

1. Baer Ranch (Tex Miss #1) Field was discovered in 1966 (the discovery depth was not reported on the current proration schedule, Samson's Exhibit No. 1). There are currently no wells in this field; historically there was one well in the field. The field is classified as non-associated exempt. The one well in the field has produced 39,904 thousand cubic feet (mcf) of gas and 1,767 barrels of oil or condensate.
2. Baer Ranch (Tex-Miss #2) Field was discovered in 1965 at a depth of 13,876 feet. There are currently no wells in this field; historically there was one well in the field. The field is classified as non-associated exempt. The one well in the field has produced 145,156 mcf of gas and 3,362 barrels of oil or condensate.
3. Baer Ranch (Tex-Miss #3) Field was discovered in 1965 at a depth of 14,454 feet. There are currently no wells in this field; historically there were five wells in the field. The field is classified as non-associated. The five wells in the field have produced a total of 17,231,663 mcf of gas and 142,434 barrels of oil or condensate.
4. Baer Ranch (Tex-Miss #4) Field was discovered in 1966 at a depth of 14,708 feet. There are currently no wells in this field; historically there were two wells in the field. The field is classified as non-associated exempt. The one well in the field has produced 87,939 mcf of gas and 2,110 barrels of oil or condensate.
5. Baer Ranch (Tex-Miss #6) Field was discovered in 2006 at a depth of 16,341 feet. There have been three wells completed in this field, but only one well is carried on the current proration schedule, Samson's Baer-Franklin Lease Well No. 1 (API No. 42-321-32345, Gas ID No. 271229). The three wells in the field has produced 8,027,316 mcf of gas and 56,243 barrels of oil or condensate, nearly all of which came from the Baer-Franklin Lease Well No. 1.

The fields have experienced two waves of production, the first lasting from about 1965 to 1976. The second wave began in 2001 and production since then has been somewhat erratic until the completion of Samson's Baer-Franklin Lease Well No. 1 in 2013. The total production has been about 25 billion cubic feet (bcf) of gas and 206,000 barrels of oil or condensate.

Samson proposed a consolidated field correlative interval to include the local productive zones of the Tex-Miss member in this area. This includes six Tex-Miss sands, five of which have been shown to be productive. Samson proposes to designate the Baer Ranch (Tex-Miss Cons) Field as the correlative interval from 13,390 feet to 14,785 feet measured depth as seen in the gamma ray-resistivity log in the Samson Baer-Franklin No. 1. The nearest comparable Tex-Miss field is the Wadsworth, S. (Tex-Miss) Field, which is about 8 miles to the north of the Baer

Ranch fields. The Wadsworth, S. (Tex-Miss) Field, however, does not produce from the same correlative interval or structure.

All of the five fields proposed for consolidation are currently on Statewide spacing (467 feet lease line and 1,200 feet between well) and 40-acre density rules. Samson proposes to retain the 467-foot lease line spacing and 40-acre density. Samson provided geologic structure map as evidence illustrating the faulted characteristic of the field, with internal and external bounding faults. Therefore, Samson believes that the field redevelopment should also not be constrained by a between-well spacing limitation.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of the hearing.
2. Baer Ranch (Tex Miss #1) Field was discovered in 1966. There are currently no wells in this field.
3. Baer Ranch (Tex-Miss #2) Field was discovered in 1965 at a depth of 13,876 feet. There are currently no wells in this field.
4. Baer Ranch (Tex-Miss #3) Field was discovered in 1965 at a depth of 14,454 feet. There are currently no wells in this field.
5. Baer Ranch (Tex-Miss #4) Field was discovered in 1966 at a depth of 14,708 feet. There are currently no wells in this field.
6. Baer Ranch (Tex-Miss #6) Field was discovered in 2006 at a depth of 16,341 feet. There is currently one well in this field, Samson's Baer-Franklin Lease Well No. 1 (API No. 42-321-32345, Gas ID No. 271229).
7. The total production from the five fields has been about 25 billion cubic feet (bcf) of gas and 206,000 barrels of oil or condensate.
8. The correlative interval from 13,390 feet to 14,785 feet measured depth as seen in the gamma ray-resistivity log in the Samson Baer-Franklin No. 1, will be defined as the Baer Ranch (Tex-Miss Cons) Field.
9. The nearest comparable Tex-Miss field is the Wadsworth, S. (Tex-Miss) Field, which is about 8 miles to the north of the Baer Ranch fields.
10. The Wadsworth, S. (Tex-Miss) Field, however, does not produce from the same correlative interval or structure.
11. All of the five fields proposed for consolidation are currently on Statewide spacing (467 feet lease line and 1,200 feet between well) and 40-acre density rules.

12. Samson provided geologic structure map as evidence illustrating the faulted characteristic of the field, with internal and external bounding faults.
13. Development of the consolidated field with 40 acre standard units, 467 lease line spacing and zero (0) between well spacing limitations will prevent waste, protect correlative rights, and promote the orderly development of the field.

### **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 notice requirements have been satisfied. 16 Tex. Admin. Code §§ 1.43 and 1.45
3. The proposed field consolidation and field rules will prevent waste, protect correlative rights, and promote the orderly development of the field.

### **EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the Commission enter an order granting the application of Samson Exploration, LLC to consolidate the five subject Baer Ranch (Tex-Miss) Fields into the proposed Baer Ranch (Tex-Miss Cons) Field, and to adopt field rules for the proposed Baer Ranch (Tex-Miss Cons) Field.

Respectfully submitted,



Paul Dubois  
Technical Examiner



Ryan Lammert  
Administrative Law Judge