

**RAILROAD COMMISSION OF TEXAS  
OFFICE OF GENERAL COUNSEL  
HEARINGS SECTION**

**OIL & GAS DOCKET  
NO. 08-0244171**

**RE: APPLICATION OF PURE RESOURCES,  
INC. TO SUSPEND THE ALLOCATION  
FORMULA IN THE EVETTS (SILURIAN)  
FIELD, WINKLER AND LOVING COUNTIES,  
TEXAS**

**FINAL ORDER**

After statutorily required notice in the above-numbered docket heard on November 13, 2005, the Railroad Commission of Texas makes the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Notice of at least ten (10) days was given to all operators in the field and no one appeared at the hearing in protest.
2. The Evetts (Silurian) Field was discovered in 1970 at 18,007' subsurface depth.
  - a. The field is governed by Special Field Rules which provide for minimum well spacing of 1867'/3735', 640 acre density and an allocation formula based on 100% acreage. The field is classified as Associated-Prorated.
  - b. Currently there are two operators in the field with 5 wells.
3. All operators of producing wells in the subject field have 100% market demand for the gas produced from wells under their control.
  - a. Pure Resources. executed Form AOF-2 indicating a 100% market for all the gas from their wells.
  - b. Exxon Mobil Corp. has 3 wells with one well over produced 4202 MCF and one well under produced at -86,582 MCF. Production for the last 3 years demonstrates a normal production decline rate.
  - c. Exxon Mobil Corp. did not protest the application.
4. Suspension of the allocation formula in the Evetts (Silurian) Field will not cause a pipeline limitation.

**CONCLUSIONS OF LAW**

1. Proper notice was issued by the Railroad Commission of Texas to persons legally entitled to notice.
2. All things have been done and occurred to give the Railroad Commission of Texas jurisdiction to decide this matter.
3. The subject field meets all the criteria established for suspension of the allocation formula under Statewide Rule 31(j).

Therefore, it is ORDERED by the Railroad Commission of Texas that the application of Pure Resources for suspension of the allocation formula in the Evetts (Silurian) Field is approved. The allocation formula may be reinstated administratively if the market demand for gas in the Evetts (Silurian) Field drops below 100% of deliverability. If the market demand for gas in the Evetts (Silurian) Field drops below 100% of deliverability while the allocation formula is suspended, the operator shall immediately notify the Commission and the allocation formula shall be immediately reinstated. Failure to give such notice to the Commission may result in a fine (as provided for in Tex. Nat. Res. Code §86.222) for each day the operators fail to give notice to the Commission.

**Done this the \_\_\_\_\_ day of \_\_\_\_\_, 2005.**

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by OGC  
Unprotested Master Order dated \_\_\_\_\_,  
2005)**