

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

**OIL & GAS DOCKET
NO. 09-0258925**

**IN THE BOONSVILLE (BEND CONG.,
GAS) FIELD, COOKE, DENTON,
PARKER, TARRANT AND WISE
COUNTIES, TEXAS**

FINAL ORDER

After statutory notice in the above-numbered docket heard on October 9, 2008, the Railroad Commission of Texas makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. Devon Energy Production Co. LP (P-5 Operator No. 216378) requests a Railroad Commission of Texas certification that the wells completed in the formations comprising the Boonsville (Bend Cong., Gas) Field (Field No. 10574-520) in Cooke, Denton, Parker, Tarrant and Wise Counties, Texas, are completed in a high-cost/tight-gas formation pursuant to Statewide Rule 101.
2. Notice of the application was provided to all affected parties at least 21 days prior to the Commission review. No protests or comments were filed in response to this application.
3. The proposed tight-gas area contains approximately 1,200,000 acres, as shown in Exhibit 1A attached to this order. Nineteen tight-gas designations have already been approved for Bend Conglomerate fields in the proposed area by the Railroad Commission of Texas.
4. The Bend Conglomerate producing section is easily recognized and identified as that section found in the interval between the base of the Caddo Lime and the top of the Marble Falls formations.
5. The proposed correlative interval, within the requested area of the application, meets the Railroad Commission Statewide Rule 101 guidelines for a high cost/tight gas formation.
 - a. 16 TAC §3.101(f)(3)(B) specifies that the in-situ horizontal permeability should not exceed 0.1 millidarcies, as determined by geometric mean or median methodology, in order to qualify as a high cost/tight gas formation.

- b. The proposed Bend Conglomerate tight gas interval ranges in thickness from approximately 500 feet in the northeast area to nearly 5,000 feet in the southeast area; over one thousand wells have penetrated, tested and/or produced from the proposed tight gas interval within the requested area; formation in-situ permeability was calculated for the top ten percent of the wells with the highest current gas rate and best cumulative production; the average calculated formation permeability is 0.02817 millidarcies; the calculated formation in-situ permeability for the data-point wells is less than the 0.1 millidarcies limit imposed by 16 TAC §3.101(f)(3)(B).
- c. 16 TAC §3.101(f)(3)(B) specifies that the stabilized, pre-stimulation producing rate against atmospheric pressure, as determined by geometric-mean or median methodology, must not be expected to exceed 5 BOPD crude oil and 122 MCFGPD for vertical wells completed in the subject field interval.
- d. The average calculated pre-stimulation stabilized absolute open flow rate for the wells completed in the requested field interval is 26 MCFGPD; the stabilized absolute open flow rate for the wells were calculated using a modified Darcy Radial Flow equation, the net feet of vertical pay at the respective well locations and the calculated in-situ permeability value; wells completed in the subject field and located within the proposed area are not expected to produce more than 5 BOPD crude oil and 122 MCFGPD prior to stimulation.

CONCLUSIONS OF LAW

- 1. Proper notice was issued to all affected persons as required by the applicable codes and regulatory statutes.
- 2. The Railroad Commission of Texas is the appropriate agency to make a determination concerning a high cost/tight gas formation certification pursuant to 16 TAC §3.101.
- 3. The proposed portions of the Boonsville (Bend Cong., Gas) Field (Field No. 10574-520) within Cooke, Denton, Parker, Tarrant and Wise Counties, Texas, comply with the provisions of 16 TAC §3.101(f)(3)(B) and the Commission determines that wells completed in the subject field within said area are producing from a high cost/tight gas formation.
- 4. Gas produced from the wells completed in the Boonsville (Bend Cong., Gas) (Field No. 10574-520) located within Cooke, Denton, Parker, Tarrant and Wise Counties, Texas, is a high cost/tight formation gas pursuant to 16 TAC §3.101.

Therefore, it is ordered by the Railroad Commission of Texas that effective November 13, 2008, the application of Devon Energy Production Co. LP for the Commission's certification that the Bend Conglomerate formation recognized and identified as that section found in the interval between the base of the Caddo Lime and the top of the Marble Falls formations in the Boonsville (Bend Cong., Gas) Field (Field No. 10574-520) located within Cooke, Denton, Parker, Tarrant and Wise Counties, Texas, as shown in the attached Exhibit 1A, be designated a tight gas formation and therefore produces high cost gas pursuant to 16 TAC §3.101, be and is hereby approved.

Done this 12th day of November, 2008.

RAILROAD COMMISSION OF TEXAS

**Approved and signatures affixed by O&G
Unprotested Master Order dated
November 13, 2008)**