

**RAILROAD COMMISSION OF TEXAS
LEGAL DIVISION
OIL AND GAS SECTION**

**RULE 37/38 CASE NO. 0204093
DISTRICT 06**

**RE: APPLICATION OF NUEVO
ENERGY COMPANY FOR AN
EXCEPTION TO STATEWIDE
RULES 37 AND 38 FOR ITS
LINNIE GAS UNIT WELL NO. 6,
OAK HILL (COTTON VALLEY)
FIELD, RUSK COUNTY, TEXAS**

ORDER OF DISMISSAL

The Commission finds that after statutory notice in the above-numbered case, a pre-hearing conference was held on February 17, 1994 to receive evidence into the record to determine the standing of the parties and such proceeding was duly submitted to the Commission at conference held in its offices in Austin, Texas.

The Commission hereby adopts the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. Notice was given to all designated operators, lessees of record with no designated operator, and owners of record of unleased mineral interests of adjacent tracts and tracts nearer than minimum lease line spacing distance to the proposed well.
2. Nuevo Energy Company has applied for an exception permit under Statewide Rules 37 and 38 to drill Well No. 6, Linnie Gas Unit, 590.89 acres, Oak Hill (Cotton Valley) Field in Rusk County. The proposed well would be the fifth well completed in the field for the unit.
3. The proposed location is 1,863 feet from the nearest well on the Linnie Gas Unit and 633 feet from the Map Production Inc. J.L. Burton Gas Unit. Field rules provide for 933 feet lease line spacing and 1,867 feet between wells.
4. Wayne Greer, a working interest and royalty interest owner in the offsetting J. L. Burton Gas Unit operated by Map Production, Inc. to the north of the proposed well, has filed the only protest to this application.
5. Applicant, Nuevo Energy Company, and Map Production, Inc. have mutually agreed in writing to waive protests of Rule 37 and Rule 38 exceptions on tracts on units that touch the Map Production, Inc. J. L. Burton Unit so long as a 467 foot lease-line and 933 foot between-well spacing is maintained.

6. Mr. Greer admitted at the hearing that his rights are protected through the provisions of an operating agreement with Map Production, Inc.
7. Mr. Greer testified at the hearing that Map Production, Inc.'s ability to drill an offset well to Nuevo's proposed well did not concern him.
8. Mr. Greer did not present any evidence to show that his interest was separate and distinct from its operator.

CONCLUSIONS OF LAW

1. Proper notice was given to all affected persons.
2. All things have been done or have occurred to give the Railroad Commission jurisdiction to determine this matter.
3. Mr. Greer did not present sufficient evidence to show that he has standing to protest this application.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Wayne Greer be **DENIED** standing as a party and that this application be approved administratively.

Done this _____ day of _____, 19__.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN

COMMISSIONER

ATTEST:

COMMISSIONER

SECRETARY