

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

**OIL AND GAS DOCKET
NO. 04-0231672**

**IN THE BOB WEST, S. (L-1-6) AND BOB
WEST, S. (ROLETA) FIELDS, STARR
COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF
EL PASO PRODUCTION OIL & GAS COMPANY
FOR NEW FIELD DESIGNATIONS AND OPERATING RULES;
AND FOR AN EXCEPTION TO STATEWIDE RULE 10
FOR THE SILVA LEASE WELL NO. 3;
BOB WEST, S. (L-1-6) AND BOB WEST, S. (ROLETA) FIELDS
STARR COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 2, 2002, 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 thereto, 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 the application of El Paso Production Oil & Gas Company for New Field Designations to be known as the Bob West, S. (L-1-6) Field (No. 10044 350), and the Bob West, S. (Roleta) Field (No. 10044 800), Starr County, Texas, be and they are hereby approved.

It is further **ORDERED** by the Railroad Commission of Texas that the following Field Rule 1 be and is hereby adopted for the Bob West, S. (L-1-6) Field.

RULE 1: The entire correlative interval from 8210 feet to 9200 feet as shown on the Gamma Ray log of the El Paso Production Oil & Gas Company Silva Lease Well No. 3, Porcion 58, Joaquin Chapa Survey; and from 9000 feet to 10,800 feet as shown on the Gamma Ray log of the El Paso Production Oil & Gas Company Luera Lease Well No. 1, Porcion 59, Juan de Dios Survey, Starr County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Bob West, S. (L-1-6) Field.

It is further **ORDERED** by the Railroad Commission of Texas that the following Field Rule 1 be and is hereby adopted for the Bob West, S. (Roleta) Field.

RULE 1: The entire correlative interval from 10,640 feet to 13,560 feet as shown on the Gamma Ray log of the El Paso Production Oil & Gas Company Silva Lease Well No. 3, Porcion 58,

Joaquin Chapa Survey, Starr County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Bob West, S. (Roleta) Field.

It is further **ORDERED** by the Railroad Commission of Texas that the following Field Rules 2 and 3 be and are hereby adopted for the Bob West, S. (L-1-6) Field and for the Bob West, S. (Roleta) Field.

RULE 2: No well for gas or oil shall hereafter be drilled nearer than FOUR HUNDRED SIXTY-SEVEN (467) feet to any property line, lease line, or subdivision line and no well shall be drilled nearer than NINE HUNDRED THIRTY-THREE (933) 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. The standard drilling unit shall remain FORTY (40) acres per well.

In applying this rule, the general order of the Commission with relation to the subdivision of property shall be observed.

RULE 3: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject fields shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the total allowable for each field shall be allocated equally among the individual prorable wells producing from this field.

NINETY-FIVE percent (95%) of each field's allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all prorable wells producing from that field.

It is further **ORDERED** by the Railroad Commission of Texas that the application of El Paso Production Oil & Gas Company for exception to Statewide Rule 10 for its Silva Lease Well No.3 in the Bob West, S. (L-1-6) Field; the Bob West, S. (L-7-12) Field; and the Bob West, S. (Roleta) Field, Starr County, Texas, be and it is hereby approved. Such commingled production as is produced from the Silva Lease Well No. 3 shall be assigned to the Bob West, S. (Roleta) Field for proration purposes.

Further, acreage assigned to the Silva Lease Well No. 3 for allocation of allowable shall not be

assigned to any other well or wells projected to or completed in the Bob West, S. (L-1-6) Field; the Bob West, S. (L-7-12) Field; and the Bob West, S. (Roleta) Field; such duplicate assignment of acreage is not acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

Done this sixth day of August, 2002.

RAILROAD COMMISSION OF TEXAS

Chairman Michael L. Williams

Commissioner Charles R. Matthews

Commissioner Tony Garza

ATTEST:

Secretary