

**THE APPLICATION OF SAMSON LONE STAR, LLC TO CONSIDER AN EXCEPTION TO STATEWIDE RULE 11 FOR THE MILLS BENNETT LEASE, WELL NO. 1, MILLS BENNETT (CONSOLIDATED) FIELD, BROOKS COUNTY, TEXAS**

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**HEARD BY:** Andres J. Trevino, P.E., on January 7, 2008

**APPEARANCES:**

**Applicant:**

James M. Clark

**Representing:**

Samson Lone Star, LLC

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Samson Lone Star, LLC requests an exception to Statewide Rule 11 for its Mills Bennett Lease, Well No. 1 in the Mills Bennett (Consolidated) Field. Samson requests that it not be required to run an inclination survey from 6,700 feet to total depth of 8,626 feet.

This application was unopposed and the examiner recommends approval of the requested exception to Statewide Rule 11.

**DISCUSSION OF THE EVIDENCE**

Field rules for the Mills Bennett (Consolidated) Field require a minimum of 330 feet from lease lines and 0 feet between well spacing. The Mills Bennett, Well No. 1 was issued a regular vertical drilling permit on May 12, 2007 for the Mills Bennett (Consolidated) Field. The permitted surface location for the well was 1,035 feet FEL and 1,120 feet FSEL of the 2,266.9 acre lease. The well was vertically drilled to 8,655 feet, then the drill pipe became stuck when the hole fell in.

The stuck drill pipe was cut off at a depth of 6,535 feet. A whipstock was set at 6,344 feet and the well was side tracked. Samson ran a directional survey down to 6,700 feet. The directional survey showed the wellbore had drifted 39.4 feet to the east and 6.9 feet to the south from vertical. At this depth, the distances to the nearest lease lines of the bottomhole location are 996 feet FEL and 1,113 feet FSEL of the 2,266.9 acre lease. In order to minimize the risk of junking the hole, Samson chose to drill the final segment of the well with casing instead of drill pipe. Samson elected not to run the final inclination survey

as it would require circulation to stop while the tools were run in the hole. Samson feared if they stopped circulation and ran the inclination survey the casing would become stuck as it did in the original borehole. The last measurement was made at 6,700 feet MD.

Statewide Rule 11(c)(2)(B) requires that "All directional surveys...shall be either single shot surveys or multi-shot surveys with the shot points not more than 200 feet apart...". After the last survey point at 6,700 feet MD, the well was drilled an additional 1,926 feet with no additional survey points. The well was drilled vertically as possible and was not intentionally deviated. The wellbore location was 996 feet from the nearest lease line at 6,700 feet. The bottom hole would have to drift 667 feet during the last 1,926 feet for the well's bottom hole location not to be a regular location.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice at least ten (10) days prior to the hearing.
2. On May 12, 2007, a regular drilling permit was issued for the vertical drilling of the Mills Bennett Lease, Well No. 1 for the Mills Bennett (Consolidated) Field.
  - a. Field rules for the subject field require a minimum of 330 feet to all lease lines.
  - b. The permitted surface location for the well was 1,035 feet FEL and 1,120 feet FSEL of the 2,266.9 acre lease.
3. From 6,700 feet MD to total depth of 8,626 feet MD, no survey was made in the wellbore due to severe drilling problems encountered. The inclination survey was run not for fear of production casing becoming stuck in the well.
4. The entire as-drilled wellbore is regular to all lease lines.
  - a. At the last surveyed depth of 6,700 feet, the distances to the nearest lease lines of the bottomhole location are 996 feet FEL and 1,113 feet FSEL.
  - b. After side tracking the junked hole at a depth of 6,700 feet the well was drilled vertically.
  - c. The bottom hole would have to drift 667 feet during the last 1,926 feet for the well's bottom hole location not to be a regular location.

5. The area is known to be difficult to drill. The last segment of the well was drilled using casing drilling technology.

**CONCLUSIONS OF LAW**

1. Proper notice was timely given to all parties entitled to notice pursuant to applicable statutes and rules.
2. All things have occurred and have been accomplished to give the Commission jurisdiction in this case.
3. Approval of the requested exception to Statewide Rule 11 for the Mills Bennett Lease, Well No. 1 will not cause waste or harm correlative rights.

**EXAMINER'S RECOMMENDATION**

It is recommended that Samson Lone Star, LLC be granted an exception to Statewide Rule 11(c)(2)(B) for its Mills Bennett Lease, Well No. 1 such that a multi-shot survey is not necessary for the last 1,926 feet of the wellbore. The directional data is sufficient for assignment of a lease number and allowable to the well, assuming all other required completion papers have been properly filed.

Respectfully submitted;

Andres J. Trevino, P.E.  
Technical Examiner