

**THE APPLICATION OF SAMSON LONE STAR, LLC TO CONSIDER AN EXCEPTION TO STATEWIDE RULE 11 FOR THE RAMIREZ LEASE, WELL NO. 1, MELINDA'S ASTON MAG (LOWER VX) 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 Ramirez Lease, Well No. 1 in the Melinda's Aston Mag (Lower Vx) Field. Samson requests that it not be required to run an inclination survey from 9,650 feet to total depth of 11,248 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 Melinda's Aston Mag (Lower Vx) Field require a minimum of 467 feet from lease lines and 1,200 feet between well spacing. The Ramirez, Well No. 1 was issued a regular vertical drilling permit on November 5, 2007 for the Melinda's Aston Mag (Lower Vx) Field and other fields. The permitted surface location for the well was 2,600 feet FWL and 2,655 feet FNL and 1,145 feet from the nearest lease line of the 619.04 acre lease. Samson is the offset operator of the lease nearest to the subject well.

Samson ran a directional survey down to 9,650 feet. The directional survey showed the wellbore had drifted 111.7 feet to the west and 108.6 feet to the south from vertical. At this depth, the distance to the nearest lease line of the bottomhole location is 1,038 feet FENEL of the 619.04 acre lease. Samson planned to run a final wiper run and inclination survey when the well then became unstable and began to lose circulation. Samson aborted the final wiper run and inclination survey as it addressed to lost circulation problems encountered. Samson feared if they stopped circulation and ran the inclination survey the

fluids would be lost and the wellbore would collapse. The last measurement was made at 9,650 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 9,650 feet MD, the well was drilled an additional 1,595 feet with no additional survey points. The well was drilled vertically as possible and was not intentionally deviated. The wellbore location was 1,038 feet from the nearest lease line at 9,6500 feet. The bottom hole would have to drift 20 degrees during the last 1,595 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 November 5, 2007, a regular drilling permit was issued for the vertical drilling of the Ramirez Lease, Well No. 1 for the Melinda's Aston Mag (Lower Vx) Field.
  - a. Field rules for the subject field require a minimum of 467 feet to all lease lines.
  - b. The permitted surface location for the well was 2,600 feet FWL and 2,655 feet FNL and 1,145 feet from the nearest lease line of the 619.04 acre lease.
3. From 9,650 feet MD to total depth of 11,245 feet MD, no survey shots were made in the wellbore.
4. Prior to running the final wiper run and inclination survey, the wellbore became unstable. The final inclination survey run was aborted for fear of lost circulation of fluids in the well.
5. The entire as-drilled wellbore is regular to all lease lines.
  - a. At the last surveyed depth of 9,650 feet, the distances to the nearest lease lines of the bottomhole location is 1,038 feet FENEL.
  - b. The well was drilled vertically to a total depth of 11,245 feet.
  - c. The bottom hole would have to drift 572 feet during the last 1,595 feet for the well's bottom hole location not to be a regular location.

6. Samson Lone Star, LLC is the offset operator of the lease nearest to the subject well.

**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 Ramirez 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 Ramirez Lease, Well No. 1 such that a multi-shot survey is not necessary for the last 1,595 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