

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 04-0284509**

**IN THE STILLMAN (DEEP CONS.)
FIELD, KENEDY COUNTY, TEXAS**

**FINAL ORDER
CONSOLIDATING VARIOUS STILLMAN FIELDS AND
ADOPTING FIELD RULES FOR THE PROPOSED
STILLMAN (DEEP CONS.) FIELD
KENEDY COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 11, 2013, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, which was served on all parties of record; 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 examiners' report and recommendation, the findings of fact and conclusions of law contained therein, 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 following fields located in Kenedy County, Texas, are hereby combined into a new field called the Stillman (Deep Cons.) Field (ID No. 86133 010):

<u>FIELD NAME</u>	<u>FIELD NUMBER</u>
Stillman (K-00)	86133 646
Stillman (K-00, W.)	86133 649
Stillman (K-00 III, K-32)	86133 680
Stillman (K-32)	86133 714
Stillman (K-32, I)	86133 715
Stillman (K-32, 43 II, L-22 II)	86133 748
Stillman (K-34)	86133 782
Stillman (K-43)	86133 790
Stillman (K-43 MULA)	86133 795
Stillman (K-78)	86133 850
Stillman (K-81)	86133 870
Stillman (L-22)	86133 884
Stillman (L-36)	86133 918
Stillman (L-36, II)	86133 925
Stillman (L-46)	86133 935
Stillman-NC (K-00, S)	86135 230
Stillman-NC (L-33)	86135 240

Wells in the subject fields shall be transferred into the Stillman (Deep Cons.) Field without requiring new drilling permits and plats.

It is further **ORDERED** that the following Field Rules are adopted for the Stillman (Deep Cons.) Field:

RULE 1: The entire correlative interval from 10,900 feet to 14,110 feet as shown on the log of the EOG Resources, Inc. - R J Kleberg, Jr TR Stillman Lease, Well No. 514 (API No. 42-261-31559), J J Balli Survey, A-1, Kenedy County, Texas, shall be considered a single reservoir for proration purposes and be designated as the Stillman (Deep Cons.) Field.

RULE 2: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field 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 field's total allowable shall be allocated equally among all the individual proratable wells producing from the field.

NINETY FIVE percent (95%) of the total field 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 proratable wells producing from this field.

It is further **ORDERED** by the Railroad Commission of Texas that the application of EOG Resources, Inc. for suspension of the allocation formula in the Stillman (Deep Cons.) Field is approved. The allocation formula may be reinstated administratively if the market demand for gas in the Stillman (Deep Cons.) Field drops below 100% of deliverability. If the market demand for gas in the Stillman (Deep Cons.) Field drops below 100% of deliverability while the allocation formula is suspended, the operator shall immediately notify the Commission and the allocation formula shall be immediately reinstated.

Done this 12th day of November, 2013.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master
Order dated November 12, 2013)**