

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

**OIL AND GAS DOCKET
NO. 08-0272562**

**IN THE HOWARD GLASSCOCK
(CONSOLIDATED) FIELD, CRANE,
GLASSCOCK, HOWARD, MIDLAND,
MITCHELL, AND STERLING COUNTIES,
TEXAS**

**FINAL ORDER
CONSOLIDATING THE HOWARD GLASSCOCK, HOWARD GLASSCOCK
(GLORIETA), AND HOWARD GLASSCOCK (CLEAR FORK, MI) FIELDS INTO
THE HOWARD GLASSCOCK (CONSOLIDATED) FIELD AND
ADOPTING FIELD RULES FOR THE
HOWARD GLASSCOCK (CONSOLIDATED) FIELD
CRANE, GLASSCOCK, HOWARD, MIDLAND, MITCHELL, AND STERLING
COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 31, 2011, 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 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 Crane, Glasscock, Howard, Midland, Mitchell, and Sterling Counties, Texas, are hereby combined into a new field called the Howard Glasscock (Consolidated) Field, Field ID No. 42971 200.

<u>FIELD NAME</u>	<u>FIELD NUMBER</u>
Howard Glasscock	42971 001
Howard-Glasscock (Glorieta)	42971 332
Howard Glasscock (Clear Fork, MI)	42971 166

It is further **ORDERED** by the Commission that the following Field Rules are hereby adopted for the Howard Glasscock (Consolidated) Field:

RULE 1: The entire correlative interval from 1,120 feet to 5,890 feet, as shown on the log of the ConocoPhillips Company, Sloan Chalk lease, Well No. 29 (API No. 42-227-35726), Sec. 114, Block 29, W & NW RR Co./Harral, TE Survey, Abstract 1131, Howard County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Howard Glasscock (Consolidated) Field.

RULE 2: No well for oil shall hereafter be drilled nearer than TWO HUNDRED(200) feet to any property line, lease line, or subdivision line. There is no between well spacing limitation for wells in this field. 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 in either field. 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.

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

RULE 3: The acreage assigned to the individual oil well shall be known as a proration unit. The standard drilling and proration units are established hereby to be TEN (10) acres. No proration unit shall consist of more than TEN (10) acres except as hereinafter provided. The two farthestmost points of a TEN (10) acre fractional proration unit shall not be greater than ONE THOUSAND ONE HUNDRED (1,100) feet removed from each other. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of oil. No double assignment of acreage will be accepted.

An operator, at his option, shall be permitted to form optional drilling units of FIVE (5) acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit. The two farthestmost points of a FIVE (5) acre fractional proration unit shall not be greater than ONE THOUSAND (1,000) feet removed from each other.

Operators shall file with the Commission certified plats of their properties in said field, which plats shall set out distinctly all of those things pertinent to the determination of the acreage credit claimed for each well; provided that if the acreage assigned to any proration unit has been pooled, the operator shall furnish the Commission with such proof as it may require as evidence that interests in and under such proration unit have been so pooled.

RULE 4: The Howard Glasscock (Consolidated) Field shall be classified as an oil field. The maximum daily oil allowable for each well in the subject field shall be based on the 1965 yardstick allowable and the actual allowable for an individual well shall be determined by the sum total of the two following values:

- a. Each well shall be assigned an allowable equal to the top allowable established for a well having a proration unit containing the maximum acreage authorized exclusive of tolerance acreage multiplied by 5% and by then multiplying this value by a fraction, the numerator of which is the acreage assigned to the well and the denominator of which is the maximum acreage authorized for a proration unit exclusive of tolerance acreage.
- b. Each well shall be assigned an allowable equal to 95% of the maximum daily oil allowable above.

It is further **ORDERED** that the most efficient rate of production at the current time for each well in the Howard Glasscock (Consolidated) Field (ID No. 42971 200), Crane, Glasscock, Howard, Midland, Mitchell, and Sterling Counties, Texas, is established at 250 barrels of oil per day.

It is further **ORDERED** that all overproduction in the Howard Glasscock, Howard-Glasscock (Glorieta), and Howard Glasscock (Clearfork, MI) Fields is hereby canceled.

It is further **ORDERED** that all wells in the Howard Glasscock, Howard-Glasscock (Glorieta), and Howard Glasscock (Clearfork, MI) Fields shall be transferred into the Howard Glasscock (Consolidated) Field (Field ID No. 42971 200) without requiring new drilling permits.

Done this 22nd day of November, 2011.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by
OGC Unprotested Master Order dated
November 22, 2011.)