

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

**OIL AND GAS DOCKET  
NO. 7C-0230124**

**IN THE OZONA (CLEAR FORK, UPPER)  
FIELD, CROCKETT COUNTY, TEXAS**

**FINAL ORDER  
ADOPTING RULES AND REGULATIONS  
FOR THE OZONA (CLEAR FORK, UPPER) FIELD  
CROCKETT COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on December 14, 2001, 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 rules shall be adopted for the Ozona (Clear Fork, Upper) Field, Crockett County, Texas.

**RULE 1:** The entire correlative interval from 2560 feet to 3400 feet as shown on the Compensated Density log of the Wagner & Brown (now Ricks Exploration, Inc.) Montgomery "D" Lease Well No. 1-13, Section 13 Blk "NG" GC & SF RR Co. Survey, Crockett County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Ozona (Clear Fork, Upper) Field.

**RULE 2(a):** The daily oil allowable for each individual oil well in the subject field shall be determined by the sum total of the two following values:

Each oil well shall be assigned an allowable equal to the top allowable established for a well in a field at this depth multiplied by 0.25.

Each oil well shall be assigned an allowable equal to its potential based on the most recent W-10 test filed with the Commission multiplied by 0.75, provided that this value shall not exceed the top allowable established for a well in a field at this depth multiplied by 0.75.

**RULE 2(b):** The daily allowable production of gas from individual wells completed in the 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:

Twenty-five percent (25%) of the total field gas allowable shall be allocated equally

among the individual proratable wells producing from this field.

Seventy-five percent (75%) of the total field gas 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.

RULE 3: The permitted gas-oil ratio for all oil wells shall be 10,000 cubic feet of gas per barrel of oil produced. Any oil well producing with a gas-oil ratio in excess of 10,000 cubic feet of gas per barrel of oil produced shall be allowed to produce daily only that volume of gas obtained by multiplying its daily oil allowable, as determined by the allocation formula applicable to the well, by 10,000. The gas volume thus obtained shall be known as the daily gas limit of the well.

It is further ordered by the Commission that all oil and gas overproduction for wells in the Ozona (Clear Fork, Upper) Field, Crockett County, Texas, be and is hereby cancelled.

Done this 8th day of January, 2002.

RAILROAD COMMISSION OF TEXAS

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Chairman Michael L. Williams

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Commissioner Charles R. Matthews

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Commissioner Tony Garza

ATTEST:

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Secretary