

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

**OIL AND GAS DOCKET
NO. 08-0249064**

**IN THE HALEY (LWR. WOLFCAMP-
PENN CONS.) LOVING AND WINKLER
COUNTIES, TEXAS**

**FINAL ORDER
AMENDING THE FIELD RULES ADOPTED IN FINAL ORDER NO. 08-0240621
ISSUED EFFECTIVE FEBRUARY 8, 2005
FOR THE HALEY (LWR. WOLFCAMP-PENN CONS.) FIELD
LOVING AND WINKLER COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on November 8, 2006, 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.

It is ordered by the Railroad Commission of Texas that the Special Field Rules as adopted by Order No. 08-0240621, effective February 8, 2005, for the Haley (Lwr. Wolfcamp-Penn Cons.) Field are amended by the addition of Rule No. 5 as follows:

RULE 5: The information necessary to determine the absolute daily open flow potential of each producing associated or non-associated gas well shall be ascertained, and a report (Commission **Form G-1**) shall be filed in the appropriate Commission office within 30 days of completion of the well. The test shall be performed in accordance with the Commission's publication, Back Pressure Test for Natural Gas Wells, State of Texas, or other test procedure approved in advance by the Commission. An operator, at his option, may determine absolute open flow potential from a stabilized one-point test. For a one-point test, the well shall be flowed on a single choke setting until a stabilized flow is achieved, but not less than 72 hours. The shut-in and flowing bottom hole pressures shall be calculated in the manner prescribed for a four-point test. The Commission may authorize a one-point test of shorter duration for a well which is not connected to a sales line, but a test which is in compliance with this section must be conducted and reported after the well is connected before an allowable will be assigned to the well. Back-dating of allowables will be performed in accordance with §§3.31 of this title (relating to Gas Reservoirs and Gas Well Allowable).

In the alternative to the method prescribed in the Commission's publication, Back Pressure

Test for Natural Gas Wells, State of Texas, for determination of the shut-in bottomhole pressure, an operator may elect to determine the bottomhole pressure using the following method. Upon completion of a well (i.e. perforation) and while the well bore is still full of "completion fluid", the completion fluid hydrostatic gradient and static fluid level measured from the lowest perforation in the wellbore shall be measured. The hydrostatic head of the fluid column shall be summed with the measured shut-in wellhead pressure to determine the reservoir bottomhole pressure.

Deliverability tests shall be scheduled by the producer within the testing period designated by the Railroad Commission, and only the recorded data specified by the **Form G-10** is required to be reported **except for the shut-in wellhead pressure shall be marked "NA" (Not Applicable)**. All deliverability tests shall be performed by producing the subject well at stabilized rates for a minimum time period of 72 hours. A deliverability test shall be conducted under normal and usual operating conditions using the normal and usual operating equipment in place on the well being tested, and the well shall be produced against the normal and usual line pressure prevailing in the line into which the well produces. The average daily producing rate for each 24-hour period, the wellhead pressure before the commencement of the 72-hour test, and the flowing wellhead pressure at the beginning of each 24-hour period shall be recorded. The flow rate during each day of the first 48 hours of the test must be as close as possible to the flow rate during the final 24 hours of the test, but must equal at least 75% of such flow rate. The deliverability of the well during the last 24 hours of the flow test shall be used for allowable and allocation purposes.

Further, it is ordered by the Railroad Commission of Texas that the allocation formula in the Haley (Lwr. Wolfcamp-Penn Cons.) Field shall remain suspended pursuant to Statewide Rule 31(j) and the overproduction on any well is hereby cancelled.

Done the 5th day of December, 2006.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by OGC
Unprotested Master Order dated December 5,
2006)**