



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0287577

THE APPLICATION OF HENRY RESOURCES, LLC TO REVIEW AND AMEND THE TEMPORARY FIELD RULES FOR THE UNIVERSITY 31 WEST (U. DEVONIAN FIELD) IN CRANE COUNTY, TEXAS

HEARD BY: Karl Caldwell- Technical Examiner
Terry Johnson - Legal Examiner

REVIEWED BY: Brian Fancher, P.G. - Technical Examiner

HEARING DATE: April 29, 2014

APPEARANCES:
APPLICANT:

Greg Cloud
Rebecca Wilson

REPRESENTING:

Henry Resources, LLC

EXAMINERS' REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Henry Resources, LLC ("Henry") originally sought to review and amend the special field rules for the University 31 West (U. Devonian) Field, as adopted in Commission Final Order 08-0277686, effective November 6, 2012. The current rules in effect for the field are classified as temporary status which either expired on May 6, 2014 or until Commission staff evaluated the effectiveness of the current rules¹. Henry's originally proposed rule amendments were aimed at providing greater flexibility toward drilling horizontal wells in the Field.

After the hearing, an examiner letter was issued to Henry on July 21, 2014 in an effort to gain further clarification with regard to its proposed field rule amendments. On October 29, 2014, Henry submitted its response to the July 21st examiner's letter, and withdrew its entire application in the captioned docket with one exception. Ultimately, Henry's only request in the captioned docket is that the existing temporary field rules be continued for an additional twenty four months.

¹ See Oil and Gas Final Order 08-0277686.

DISCUSSION OF THE EVIDENCE

Henry originally requested to review the temporary field rules in effect for the subject field, amend the existing field rules in a manner aimed at horizontal well development, and subsequently classify the existing rules as permanent field rules. However, on October 29, 2014, Henry withdrew its entire application and instead requested to extend the current field rules on temporary status for an additional two years.

FINDINGS OF FACT

1. Henry Resources, LLC ("Henry") originally requested to amend the temporary field rules in effect for the University 31 West (U. Devonian) Field, and subsequently change the field rules' classification from temporary to permanent status.
2. On October 29, 2014, Henry withdrew its entire original application and instead requested to extend the existing temporary field rules for an additional twenty-four months.

CONCLUSIONS OF LAW

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.
3. Extending the temporary field rules in effect for the University 31 West (U. Devonian) Field, as proposed by Henry Resources, LLC, for an additional twenty-four months is necessary to promote development of the University 31 West (U. Devonian) Field in Crane County, Texas.

EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the examiners recommend that existing temporary field rules in effect for the University 31 West (U. Devonian) Field.

Respectfully submitted,



Brian Fancher, P.G.
Technical Examiner



Terry Johnson
Legal Examiner