

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 7C-0295874**

**IN THE FERRIS (CONSOLIDATED KING-
HOPE) FIELD, MENARD COUNTY, TEXAS**

**FINAL ORDER
CONSOLIDATING THE FERRIS (HOPE 1550), FERRIS (KING 1650), AND
FERRIS (KING SAND LOWER) FIELDS INTO THE
FERRIS (CONSOLIDATED KING-HOPE) FIELD
AND ADOPTING FIELD RULES FOR THE
FERRIS (CONSOLIDATED KING-HOPE) FIELD
MENARD COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 16, 2015, the presiding examiners have 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 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 Ferris (Hope 1550) Field, ID No. 30720200, Ferris (King 1650) Field, ID No. 30720600, and Ferris (King Sand Lower) Field, ID No. 30720400, are hereby consolidated into the Ferris (Consolidated King-Hope) Field.

Wells in the subject fields shall be transferred into the Ferris (Consolidated King-Hope) Field without requiring new drilling permits.

Furthermore, it is **ORDERED** by the Railroad Commission of Texas that the following field rules shall be adopted and made permanent for the Ferris (Consolidated King-Hope) Field, Menard County, Texas:

RULE 1: The entire correlative interval from 1,515 feet to 1,700 feet as shown on the Sun Oil Company, E.G. Wilkinson No. 5 Well (API No. 42-327-10242), J.H. Gibson Survey #1, Menard County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Ferris (Consolidated King-Hope) Field.

RULE 2: No well for oil or gas shall hereafter be drilled nearer than THREE HUNDRED THIRTY (330) feet to any property line, lease line, or subdivision line and no well shall be drilled nearer than SIX HUNDRED SIXTY (660) feet to any applied for, permitted or completed well in the same reservoir on the same lease, pooled unit or unitized tract. 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. 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 therefore 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 for the purpose of allocating allowable oil production thereto shall be known as a proration unit. The standard drilling and proration units are established hereby to be TWENTY (20) acres. No proration unit shall consist of more than TWENTY (20) acres except as hereinafter provided. The two farthestmost points in any proration unit shall not be in excess of ONE THOUSAND FIVE HUNDRED (1500) 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.

For the determination of acreage credit in this field, operators shall file for each oil or gas well in this field a Form P-15 Statement of Productivity of Acreage Assigned to Proration Units. On that form or an attachment thereto, the operator shall list the number of acres that are being assigned to each well on the lease or unit for proration purposes, in lieu of an amended Form P-15. For oil or gas wells, operators shall be required to file, along with the Form P-15, a plat of the lease, unit or property; provided that operators shall not be required to show individual proration units on such plat. Operators may, however, file such proration unit plats for individual wells in the field if they so choose.

RULE 4: The maximum daily oil allowable for each well in the subject field shall be the 1965 Yardstick Allowable of 39 barrels of oil per day and the actual allowable for an individual well shall be determined by multiplying the allowable for a well in the field by a fraction, the numerator of which is the acreage assigned to the well for proration purposes and the denominator of which is the maximum acreage authorized by these field rules for proration purposes. The daily oil allowable for a well in the field shall be adjusted in accordance with Statewide Rule 49(a) when applicable.

Done this 3rd day of February, 2016.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated February 3, 2016)**