RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 03-0281525 IN THE FT. TRINIDAD (LEWISVILLE 8900) FIELD, MADISON COUNTY, TEXAS

ORDER NUNC PRO TUNC

AMENDING FIELD RULES FOR THE FT. TRINIDAD (LEWISVILLE 8900) FIELD, MADISON COUNTY, TEXAS

In conference at its office in Austin, Texas, the Railroad Commission of Texas took up for consideration its Final Order entered on June 18, 2013, the matter amending field rules for the Ft. Trinidad (Lewisville 8900) Field, Madison County, Texas. The Commission finds that the Final Order entered June 18, 2013, contains a scrivener's error creating an inconsistency between the Examiner's recommendation and the Final Order.

Accordingly, it is **ORDERED** that the Final Oder in Docket No. 03-0281525 be, and the same is hereby, amended *nunc pro tunc* so that the Final Order entered June 18, 2013 correctly reflects the Examiner's recommended adoption of 20-acre optional density for the Ft. Trinidad (Lewisville 8900) Field. The field rules for the Ft. Trinidad (Lewisville 8900) Field are set out in their entirety below:

RULE 1: The entire correlative interval from 8,665 feet to 8,970 feet as shown on the log of the Wheeler Operating Corporation - Scholz, et al Lease, Well No. 1 (API No. 42-313-30492), A J Dorman Survey, A-269, Madison County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Ft. Trinidad (Lewisville 8900) 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 FOUR HUNDRED SIXTY SEVEN (467) 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 Rule 37 and 38, which applicable provisions of said rule 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 FORTY (40) acres with a TWENTY (20) acre optional density. No proration unit shall consist of more than FORTY (40) acres except as hereinafter provided. The two farthermost points in any proration unit shall not be in excess of TWO THOUSAND ONE HUNDRED (2,100) feet removed from each other; provided however, that in the case of long and narrow leases or in cases where because of the shape of the lease such is necessary to permit the utilization of tolerance acreage, the Commission may after proper showing grant exceptions to the limitations as to the shape of proration units as herein contained. 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.

If after the drilling of the last well on any lease and the assignment of acreage to each well thereon in accordance with the regulations of the Commission there remains an additional unassigned acreage of less than FORTY (40) acres, then and in such event the remaining unassigned acreage up to and including a total of TWENTY (20) acres may be assigned as tolerance acreage to the last well drilled on such lease or may be distributed among any group of wells located thereon, so long as the proration units resulting from the inclusion of such additional acreage meet the limitations prescribed by the Commission.

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 maximum daily oil allowable for each well in the subject field shall be the 1965 Yardstick Allowable of 142 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, exclusive of tolerance acreage. The daily oil allowable for a well in the field shall be adjusted in accordance with Statewide Rule 49(a) when applicable.

Done this 24th day of August, 2016.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated August 24, 2016)