

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET  
NO. 03-0302564**

**IN THE ST 186L S\2 SE\4 (ROB-L)  
FIELD (85728-500), GALVESTON  
COUNTY, TEXAS**

**FINAL ORDER  
ADOPTING PERMANENT FIELD RULES  
FOR THE ST 186L S\2 SE\4 (ROB-L) FIELD (85728-500),  
GALVESTON COUNTY, TEXAS**

The Commission finds that after statutory notice of the application made by Petroquest Energy, L.L.C. in the above-numbered docket heard on January 5, 2017, the presiding Technical Examiner and Administrative Law Judge (collectively referred to as "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 following Field Rules for the ST 186L S\2 SE\4 (ROB-L) Field (85728-500), Galveston County, Texas are hereby adopted and are set out in their entirety as follows:

**RULE 1:** The entire correlative interval from 5,775 feet to 5,820 feet as shown on the log of the Petroquest Energy (Hall-Houston Expl., III, L.P.) S.T. 186-L S/2 SE/4 No. 1 Well, (API No. 42-706-30250), GOM ST 186-L, Galveston County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the ST 186L S\2 SE\4 (ROB-L) Field (85728-500).

**RULE 2:** No well for oil or gas shall hereafter be drilled nearer than TWO HUNDRED (200) feet to any property line, lease line, or subdivision line, and no well shall be drilled nearer than ONE THOUSAND THREE HUNDRED TWENTY (1,320) feet from any applied for, permitted, or completed well in the same reservoir on the same lease, pooled unit, or unitized tract. The aforementioned distances for this 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 in the field. 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 THREE HUNDRED TWENTY (320) acres. No proration unit shall consist of more than THREE HUNDRED TWENTY (320) acres except as hereinafter provided. The two farthestmost points of any proration unit shall not be in excess of EIGHT THOUSAND (8,000) 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.

**RULE 4:** The maximum daily oil allowable for a well in the subject field shall be determined by the 1965 Yardstick Allowable and the actual allowable for an individual well shall be based on the 100% acreage allocation formula.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the agreement of the applicant, this Final Order is effective when a Master Order relating to this Final Order is signed on February 28, 2017.

Done this 28<sup>th</sup> day of February, 2017.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed  
by Hearings Division's Unprotested  
Master Order dated February 28, 2017)**