

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET  
NO. 06-0302855**

**IN THE WILLOW SPRINGS, SE  
(TRAVIS PEAK) FIELD, GREGG  
COUNTY, TEXAS**

**FINAL ORDER  
AMENDING FIELD RULES FOR THE  
WILLOW SPRINGS, SE (TRAVIS PEAK) FIELD,  
GREGG COUNTY, TEXAS**

The Commission finds that after statutory notice of the application made by Buffco Production Inc. in the above-numbered docket heard on January 30, 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 Willow Springs, SE (Travis Peak) Field, Gregg County, Texas are hereby adopted and are set out in their entirety as follows:

**RULE 1:** The entire correlative interval from 7,350 feet to 7,552 feet as shown on the log of the Southern Union Production-KM Kelly Oil Unit No. 1 Well (API No. 42-183-00251), Gregg County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Willow Springs, SE (Travis Peak) Field.

**RULE 2:** No well for oil or gas shall hereafter be drilled nearer than **FOUR HUNDRED SIXTY-SEVEN (467)** feet to any property line, lease line, or subdivision line, and no well shall be drilled nearer than **ONE THOUSAND TWO HUNDRED (1,200)** 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 ONE HUNDRED SIXTY (160) acres. No proration unit shall consist of more than ONE HUNDRED SIXTY (160) acres except as hereinafter provided. 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.

No proration unit shall consist of more than ONE HUNDRED SIXTY (160) acres; provided that tolerance acreage of ten (10) percent shall be allowed for each standard proration unit so that an amount not to exceed a maximum of ONE HUNDRED SEVENTY-SIX (176) acres may be assigned. Each proration unit containing less than ONE HUNDRED SIXTY (160) acres shall be a fractional proration unit.

An operator, at his option, shall be permitted to form optional oil units of FORTY (40) acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit.

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 units have been so pooled.

**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 determined by the sum total of the two following values:

- a. Each well shall be assigned an allowable equal to the top allowable established for a well having a proration unit containing the maximum acreage authorized exclusive of tolerance acreage multiplied by FORTY percent (40%) and by then multiplying this value by a fraction, the numerator of which is the acreage assigned to the well and the denominator of which is the maximum acreage authorized for a proration unit exclusive of tolerance acreage.

- b. Each well shall be assigned an allowable equal to SIXTY percent (60%) of the maximum daily oil allowable above.

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 April 4, 2017.

Done this day of April 4, 2017.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed  
by Hearings Division's Unprotected  
Master Order dated April 4, 2017)**