

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO.  
7B-0304423**

**IN THE       HARDROCK (KING  
SAND) FIELD, NOLAN COUNTY,  
TEXAS**

**FINAL ORDER  
ADOPTING PERMANENT FIELD RULES  
FOR THE HARDROCK (KING SAND) FIELD  
NOLAN COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on June 7, 2017, 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 complies 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 permanent field rules for the Hardrock (King Sand) Field (No. 39002 333), Nolan County, Texas, are hereby adopted. The permanent field rules are numbered and set out in their entirety as follows:

**RULE 1:** The entire correlative interval from 4,302 feet to 4,332 feet as shown on the on the Electrical Log of the Hunt Oil Company, C. E. Boyd Lease Well No. 1-6 (API No. 42-353-80991), located 330 feet FNL & 705 feet FEL of Section 6, Block X, T&P RR Co Survey A-1309, in Nolan County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Hardrock (King Sand) Field.

**RULE 2:** No well for oil or gas shall hereafter be drilled nearer than ONE HUNDRED AND FIFTY (150) feet to any property line, lease line, or subdivision line. The minimum between well spacing requirement is THREE HUNDRED (300) feet. 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.

**RULE 3:** The acreage assigned to an 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. 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 allowed. Each proration unit containing less than TWENTY (20) acres shall be a fractional unit. There is no maximum diagonal limitation in this field.

For the determination of acreage credit in this field, operators shall file for each well in this field a Form P-15, "Statement of Productivity of Acreage Assigned to Proration Units," or Form P-16, "Acreage Designation." 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. Operators shall be required to file, along with the Form P-15 or Form P-16, a plat of the lease, unit or property; provided that such plat shall not be required to show individual proration units. Notwithstanding the above, operators shall be required to file an as-drilled plat showing the path, penetration point and terminus of all drainholes in horizontal wells.

**RULE 4:** The maximum daily oil allowable for each well in the subject field shall be 130 barrels of oil per day for a well on 20 acres, based on the maximum efficient rate allowable set by the Commission for all wells in the field in Oil & Gas Docket No. 7B-0301550 on December 6, 2016.

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.

Done this 1<sup>st</sup> day of August, 2017.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Divisions' Unprotested Master  
Order dated August 1, 2017)**