RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 01-0306959

THE APPLICATION OF LIGHTNING OIL COMPANY FOR A NEW FIELD DISCOVERY FOR ITS CUTLASS EAST LEASE, WELL NO. 1A, AND TO ADOPT FIELD RULES FOR THE PROPOSED W.S.L. (LK) FIELD, LA SALLE COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on November 14, 2017, the technical examiner and administrative law judge ("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 a new field designation for the W.S.L. (LK) Field (ID No. 94431 500) is hereby granted. It is further **ORDERED** that field rules for the W.S.L. (LK) Field are hereby adopted and hereby laid out in their entirety as follows:

- **RULE 1**: The entire correlative interval from 8,990 feet to 9,902 feet as seen on the Halliburton gamma ray log of the Lightning Oil Company Cutlass East Lease Well No. 1A, API No. 42-283-33261, Section 122, I&GN RR Co. Survey, A-736, La Salle County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the W.S.L. (LK) Field.
- **RULE 2**: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:
 - NINETY-FIVE percent (95%) of the field's total allowable shall be allocated equally among all the individual proratable wells producing from the field.

• FIVE percent (5%) of the total field allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission, bears to the summation of the deliverability of all proratable wells producing from this field.

Pursuant to $\S 2001.144(a)(4)(A)$, 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 23rd day of January, 2018.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated January 23, 2018)