

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL & GAS DOCKET
NO. 08-0307139**

**IN THE LANDLUBBER LEASE
(48393), ARMER (6350) FIELD,
CRANE COUNTY, TEXAS**

**FINAL ORDER
APPLICATION OF BLACKBEARD OPERATING, LLC, TO CONSIDER A MAXIMUM
EFFICIENT RATE (MER) ALLOWABLE, INCREASED NET GAS-OIL RATIO, AND
CANCELLATION OF ALL OVERPRODUCTION
FOR THE LANDLUBBER LEASE (48393),
ARMER (6350) FIELD,
CRANE COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on December 20, 2017 and March 19, 2018, the presiding 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 the Landlubber Lease in the Armer (6350) Field (ID No. 03644852), Crane County, Texas may be produced under a maximum efficient rate (MER) allowable of 150 barrels of oil per day.

It is further **ORDERED** that the Landlubber Lease is hereby granted authority to produce under an increased net gas-to-oil ratio (Net GOR) authority with a daily casinghead gas limit of 1,000 thousand cubic feet per day (MCFPD) as authorized by Docket No. 8-56,687, adopted November 1, 1966 and attached to this Final Order.

It is further **ORDERED** that all accumulated overproduction on all wells on the Landlubber Lease is hereby cancelled through the effective date of this Final Order.

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 24th day of April 2018.

RAILROAD COMMISSION OF TEXAS

**(Order approved, and signatures affixed by
Hearings Division's Unprotected Master
Order dated April 24, 2018)**

COMMISSIONERS
BEN RAMSEY
Chairman
BYRON TUNNELL
JIM C. LANGDON

OIL AND GAS DIVISION

ARTHUR H. BARBECK
Chief Engineer



AUSTIN, TEXAS
October 20, 1966

MEMORANDUM TO THE COMMISSION:

Docket No. 8-56,687

IN RE:

Application of Armer Oil Company for the Adoption of a Net GOR Rule for the Armer (6350') and (Tubb) Fields, Crane County

DATE OF HEARING:

September 22, 1966

APPEARANCES:

C. W. Seely for Applicant; Stanley Hornsby and Don Walker for Gulf; and Jack Hardwick for Shell

Applicant requests a net gas-oil ratio rule with credit for gas diverted to legal uses for subject fields, and requests a daily gas limit of 1000 mcf per well per day, subject to market demand proration.

The Tubb Zone is developed currently with 12 wells producing from an average depth of 4834'. This is a solution gas drive field. The original GOR was 778 cubic feet per barrel, and in January 1966 the average GOR was 3727 cubic feet per barrel. Due to the solution gas drive mechanism, the producing GOR will continue to increase. Some wells have GOR of 7000 - 8000 cubic feet per barrel at the present time. The average water production is 30%, but one edge well makes 87% water. The 6350' zone is developed with 46 wells, 19 of which have high GOR. This is a solution gas drive field. The original GOR was 876 cubic feet per barrel, and the current average is 3058 cubic feet per barrel. Some of the wells have GOR of 8000 - 10,000 cubic feet per barrel. Four edge wells producing a total of 7000 barrels of water per day, and the other wells have average water production of 19%. Each of these fields has been producing since 1955.

Based on the evidence, the writer recommends approval of net gas-oil ratio with credit for gas diverted to legal uses for these two fields, and recommends a gas limit of 1000 mcf per well per day, subject to market demand proration. Warren Petroleum purchases this gas, and advises that they have a market for the additional gas. Four other operators supported this application. There was no protest.

Respectfully submitted,

Mac L. Coker

Mac L. Coker, Director
Technical Hearings and Administration

MIC:elr

OPERATOR: BLACKBEARD OPERATING, LLC
EXHIBIT NO.: 23
DOCKET NO.: 08-0307139
DATE: DECEMBER 20, 2017

RECOMMENDATION APPROVED:

Arthur H. Barbeck Chief Engineer
[Signature] Chairman
[Signature] Commissioner
[Signature] Commissioner
DCA 10-24-66 EFFECTIVE 11-1-66