

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 8A-0312768

**THE APPLICATION OF ROVER PETROLEUM OPERATING, LLC TO AMEND FIELD RULES
IN THE HUNTLEY (3400) FIELD, GARZA COUNTY, TEXAS**

FINAL ORDER

The Commission finds that after statutory notice of the application made by Rover Petroleum Operating, LLC (Operator No. 730462) in the above-numbered docket heard on August 23, 2018, the Technical Examiner and Administrative Law Judge (collectively "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 Rover Petroleum Operating, LLC is hereby granted an amendment of the field rules for the Huntley (3400) Field, Garza County, Texas. The field rules for Huntley (3400) Field are hereby amended as follows:

RULE 1: The entire correlative interval from 3,100 feet to 3,900 feet as shown on the Dresser Atlas electrical and radioactivity log run on July 23, 1980 on the Edwin L. Cox B. D. Huntley Well No. 4-X (API No. 42-169-31193), Garza County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Huntley (3400) Field.

RULE 2: No well for oil or gas shall hereafter be drilled nearer than three hundred thirty (330) feet to any property line, lease line, or subdivision line. There is no minimum between well spacing limitation. 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 an individual well 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. There is no maximum diagonal limitation in this field. 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.

Notwithstanding the above, operators at their option may elect to develop on TEN (10) acre proration units.

If, after the drilling of the last well on a lease or pooled unit under the density rule provisions described above, there remains an additional unassigned amount of acreage of 5 acres or more but fewer than 10 acres, an operator may apply for a drilling permit for a tolerance well which will not require a Statewide Rule 38 density exception. If, after the drilling of the last well on a lease or pooled unit under the density rule provisions described above there remains an additional unassigned amount of acreage of fewer than 5 acres then such additional unassigned acreage may be assigned to a well or wells on the lease or pooled unit to receive a proportionate increase in allowable.

For the determination of acreage credit in this field, operators shall file for each oil well a Form P-16 Acreage Designation to Proration Units. 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. For oil wells, operators shall be required to file, along with the Form P-16, a plat of the lease, unit or property; provided that such plat shall not be required to show individual proration units. Operators may, however, file such proration unit plats for individual wells in the Field if they so choose.

RULE 4: The maximum daily oil allowable for each oil well on a TWENTY (20) acre unit in the subject field shall be the 64 barrels of oil per day. Wells developed on optional TEN (10) acre units shall receive a maximum daily oil allowable of 54 barrels of oil per day.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and by agreement of the parties in writing or on the record, the parties have waived right to file a motion for rehearing and this Final Order is effective on the date the Master Order relating to the Final Order is signed.

Done this 16th day of October, 2018.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master Order
dated October 16, 2018)**