

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 8A-0317989

**APPLICATION OF ROCKER A OPERATING COMPANY (722932) TO CONSIDER
AMENDING THE FIELD RULES FOR THE LEEPER (GLORIETA) FIELD, HOCKLEY
COUNTY, TEXAS**

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on April 4, 2019, 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 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 consideration of this matter, hereby adopts as its own the findings of fact and conclusions of law contained in the Report, 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 permanent field rules for Leeper (Glorietta) Field, Terry and Hockley County, Texas are hereby adopted and are set out in their entirety as follows:

RULE 1: The entire correlative interval from fifty-one-hundred and sixty-five (5165) feet to seven-thousand (7000) feet, covering the San Andres P-1 sand, from fifty-one-hundred and fifty (5150) feet to fifty-one-hundred and sixty-four (5164) feet, the San Andres Deep, from fifty-one-hundred and sixty-five (5165) feet to fifty-four-hundred and seventy (5470) feet, the Glorieta, from fifty-four-hundred and seventy-one (5471) feet to six-thousand (6000) feet, and the Clearfork from six-thousand and one (6001) feet to seven-thousand (7000) feet, as shown on the Compensated Neutron Gamma Ray/CCL Log for the Rocker A Operating Young-Hays #109W well, in Terry County, Texas (API No. 42-219-37139); shall be designated as a single reservoir for proration purposes and be designated as the Leeper (Glorieta) Field.

RULE 2. No well shall be drilled nearer than four hundred and forty (440) feet to any property line, lease line or subdivision line; provided, however, that the Commission will, in order to prevent waste or to prevent the confiscation of property, grant exceptions to permit drilling within shorter distances than herein prescribed whenever the Commission shall have determined that such exceptions are necessary either to prevent waste or to prevent confiscation of property. When exception to this rule is desired, application therefor shall be filed and will be acted upon in accordance with the provisions of said rules are incorporated herein by reference. There is no minimum between-well spacing requirement.

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 forty (40) acre proration unit.

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. No proration unit shall consist of more than forty (40) acres except as hereinafter provided, and the two farthestmost points in any proration unit shall not be in excess of twenty-one hundred (2100) feet removed from each other; provided, however, that in the case of long and narrow leases or in cases where because of the shape of the lease such is necessary to permit the utilization of tolerance acreage the Commission may, after proper showing, grant exceptions to the limitations as to the shape of proration units herein contained. All proration units, however, 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.

If after drilling of the last well on any lease and the assignment of acreage to each well thereon in accordance with the regulations of the Commission there remains an additional unassigned lease acreage of less than forty (40) acres, then and in such event the remaining unassigned lease acreage up to and including a total of twenty (20) acres may be assigned to the last well drilled on such lease, or may be distributed among any group of wells located thereon, so long as the proration units resulting from the inclusion of such additional acreage meets the limitations prescribed by the Commission.

An operator, at his option, shall be permitted to form fractional units of twenty (20) acres, with a proportional acreage allowable credit for a well on such unit with the two farthestmost points of such twenty (20) acre fractional unit not greater than fifteen hundred (1500) feet removed from each other.

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 unit have been so pooled.

RULE 4. The daily total field oil allowable, as fixed by the Commission after deductions have been made for marginal wells, high gas-oil ratio wells, and wells which are incapable of producing their allowables as determined hereby, shall be distributed among the remaining producing wells in the field on the following basis:

- (a) The daily acreage allowable for each well, after said deductions have been made, shall be that proportion of fifty (50) percent of the total field daily allowable by the number of producing wells in the field.
- (b) The daily per well allowable for each well, after said deductions have been made, shall be determined by dividing fifty (50) percent of the total field daily allowable by the number of producing wells in the field.
- (c) The total daily oil allowable for each well shall be the sum of its per well and acreage

allowables.

RULE 5. The casing program of all wells hereafter drilled in said field shall conform to the following requirements:

- (a) A surface string of new or reconditioned pipe shall be set at a point no higher than three hundred (300) feet below the surface of the ground or the top of the Red Beds, whichever is deeper. The surface string shall be cemented with sufficient cement to fill the annular space back of the pipe to the surface of the ground; cementing shall be accomplished by the pump and plug method. The cement shall be allowed to stand at least twelve (12) hours under pressure and a total of at least twenty-four (24) hours before drilling the plug or initiating tests. Casing shall be tested by application of pump pressure of at least one thousand (1000) pounds per square inch. If at the end of thirty (30) minutes the pressure has declined as much as one hundred (100) pounds per square inch, the casing shall be condemned. Upon completion of corrective operations, the casing shall again be tested as hereinabove prescribed, and compliance with the pressure drop provision herein shall be required.
- (b) If an intermediate string of casing is used, it shall be of new or reconditioned pipe. The casing shall be set and cemented using not less than 350 packs of cement; cementing shall be by the pump and plug method. The cement shall be allowed to stand for a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or commencing testing operations. Before drilling the plug the casing shall be tested by applying pump pressure of at least one thousand (1000) pounds per square inch. If after thirty (30) minutes the pressure has declined by as much as one hundred (100) pounds per square inch, the casing shall be condemned. Upon completion of corrective operations the casing shall again be tested as hereinabove prescribed, and compliance with pressure drop provisions shall be required.
- (c) The oil string production casing shall be of new or reconditioned pipe which has been tested to a pressure of at least twenty-five hundred (2500) pounds per square inch. Casing shall be set and cemented no higher than the top of the Glorieta formation at a depth of approximately fifty-nine hundred (5900) feet. The oil string shall be cemented by using a minimum of five hundred (500) sacks of cement; cementing shall be by the pump and plug method. The cement shall be allowed to stand a minimum of twenty-four (24) hours under pressure before drilling the plug or commencing testing operations. Before drilling the plug the casing shall be tested by applying pump pressure of at least fifteen hundred (1500) pounds per square inch. If after thirty (30) minutes the pressure has declined by as much as one hundred (100) pounds per square inch, the casing shall be condemned. Upon completion of corrective operations, the casing shall again be tested as hereinabove prescribed, and compliance with the pressure drop provisions herein shall be required.

At the operator's option, a liner string of casing may be employed for the production or oil string. If this program is followed, the pipe used shall be new or reconditioned casing which shall be tested, set, and cemented in accordance with all provisions herein prescribed. In addition, the liner string shall be attached to the inside of the next larger string of casing previously run, either by cementing or by using a liner hanger of accepted design and manufacture.

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.

Signed August 20, 2019.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated August 20, 2019)