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AND IS LOCATED
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RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS DOCKET
NO. 8-55,393

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE STATEWIDE
(ELLENBURGER) FIELD, ANDREWS
COUNTY, TEXAS

Austin, Texas

August 10, 1965

SPECIAL ORDER
ADOPTING TEMPORARY RULES AND REGULATIONS FOR
THE STATEWIDE (ELLENBURGER) FIELD
ANDREWS COUNTY, TEXAS

WHEREAS, After due notice, the Railroad Commission of Texas held a hearing on July 19, 1965, on the application of Standard Oil Company of Texas to consider the adoption of rules and regulations to govern the drilling, completion and operation of wells in the Statewide (Ellenburger) Field, Andrews County, Texas; and

WHEREAS, From evidence adduced at said hearing, it appears to the Commission that said field was discovered in May 1965, and produces from the Ellenburger formation at a depth of 12,100'; that the field is developed currently with two oil wells, one of which is in Texas and the other in New Mexico; that five additional wells were being drilled at the time of said hearing; that the pay zone has gross thickness of 178' with average porosity of 2.4% and effective permeability of 34 md.; that the original reservoir pressure was 4,993 psig and the saturation pressure is 1,555 psig; that the cumulative production was 18,119 barrels of 43.3 API gravity oil and 9,569 MCF of gas as of June 30, 1965; and

WHEREAS, From evidence submitted at said hearing, the Commission is of the opinion and finds that waste as the term is defined in the applicable statutes will take place in said field unless rules are adopted by the Commission for the prevention thereof, and that the following field rules are necessary to prevent such waste and to provide for a more orderly development and operation of said field.

NOW, THEREFORE, IT IS ORDERED by the Railroad Commission of Texas that effective July 31, 1965, the following rules in addition to such of the Commission's general rules and regulations as are not in conflict herewith, be and the same are hereby adopted to govern the drilling, completion and operation of wells in the Statewide (Ellenburger) Field, Andrews County, Texas.

RULE 1: No well for oil or gas shall hereafter be drilled nearer than seven hundred (700) feet to any well completed in or drilling to the same reservoir on the same lease, unitized tract or farm, and no well shall be drilled nearer than six hundred sixty (660) 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 confederation of property grants, 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 the confederation 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 Commission Statewide Rules 31 and 36, which applicable provisions of said rules are incorporated herein by reference.

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 eighty (80) acre provision unit.

In applying this rule the general order of the Commission with relation to the subdivision of property shall be observed.

RULE 2: The acreage assigned to the individual oil well for the purpose of allocating allowable oil production thereon shall be known as a provision unit. No provision unit shall consist of more than eighty (80) acres except as herein-after provided, and the two forty-acre portions in any provision unit shall not be in excess of thirty-two hundred fifty (3250) feet removed from each other; provided, however, that in the case of long and narrow leases or in cases where because of

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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 provision units as herein contained. All provision units, however, shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of oil.

If after the 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 eighty (80) acres, then and in such event the remaining unassigned lease acreage up to and including a total of forty (40) 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 provision units resulting from the inclusion of such additional acreage meets the limitations prescribed by the Commission.

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 provision 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 provision unit have been so pooled.

RULE 3: 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 wells producing in the field capable of making their allowables in that proportion that the acreage assigned to each well bears to the sum of the acreage assigned to all of the wells in the field.

RULE 4: The surface casing of all wells hereafter drilled in said field shall include pipe set in accordance with either of the following methods:

(a) Casing Method--The surface casing shall be new or reconditioned pipe extending from the surface to a depth of not less than fourteen hundred (1400) feet below the surface. The casing shall be cemented to the bottom of the cellar or surface of the ground. Cementing shall be by the pump and plug method. Cement shall be allowed to stand a minimum of twelve (12) hours before drilling the plug or initiating tests. Before drilling the plug, pump pressure of at least one thousand (1000) pounds per square inch shall be applied, and if at the end of thirty (30) minutes the casing pressure drop is one hundred (100) pounds per square inch or more, the casing shall be cemented. After corrective operations, the casing shall again be tested in the same manner until the casing shall have met the requirements herein set out.

(b) Multi-stage Cementing Method--The surface casing shall be new or reconditioned pipe and shall extend from the surface to a depth of not less than four hundred fifty (450) feet. The casing shall be cemented to the bottom of the cellar or surface of the ground and tested in the same manner as provided for in subparagraph (a) above.

In addition, a multi-stage cement job must be made on the producing string at a depth of fourteen hundred (1400) feet. In using the multi-stage cementing process, sufficient cement shall be used as is equivalent to the calculated volume of the annulus from the cementing tool to a point midway between the shoe of the surface casing and the surface; provided that compliance with the above will be considered completed if a temperature survey shows that the top of the cement is at least one-third (1/3) of the distance from the shoe of the surface casing to the surface.

It is further provided that after the multi-stage operation is completed, the operator must file with the Commission an affidavit made by the cementing company's representative showing where the stage cement tool was set and the number of sacks of cement used in the operation.

IT IS FURTHER ORDERED that the rules adopted herein are temporary, to remain effective until January 21, 1967, and so long thereafter as it may take to process data adduced at a hearing reviewing this matter, to be called during the month of December 1966; provided, however, that should the evidence adduced

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at such hearing be insufficient to sustain spacing or provision unit rules, then these temporary rules, on the Commission's own motion, may be amended to provide for permanent spacing and provision unit rules comparable to the Statewide spacing and density standard.

IT IS FURTHER ORDERED that this cause be held open on the docket for such other and further orders as may be necessary.

NOTICE

SECRETARY

ATTORNEY

W. L. Adams

RAILROAD COMMISSION OF TEXAS
Commissioner
W. L. Adams
Chairman
W. L. Adams
Secretary
W. L. Adams

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*The new permanent
rule
Dec 27, 1966*