

SPECIAL RULES AND REGULATIONS
FOR THE
NORTH EUNICE BLINEBRY-TUBB-DRINKARD
OIL AND GAS POOL

RULE 1.

A standard gas proration unit in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be 160 acres.

RULE 2.

A standard oil proration unit in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be 40 acres.

RULE 3.

Acreage may be simultaneously dedicated to a gas well and an oil well in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool, thereby receiving separate oil and gas allowables.

RULE 4.

Any acreage within the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall not be assigned to a gas well proration unit if the acreage is: 1) located within 1320' of the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool boundary, and 2) such acreage is not contiguous to offset non-unit gas proration unit.

RULE 5.

Any well within the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool designated as a gas well shall be subject to the gas proration rules set forth in Commission Order No. R-8170, as amended for the Blinebry Oil and Gas Pool or Tubb Oil and Gas Pool or both as appropriate.

EXHIBIT "A"

Northeast Drinkard Unit
Exhibit Thirty
Cases 9230
9231
9232

The District Supervisor shall have authority to classify any well in the pool as a gas well or an oil well upon appropriate showing by the operator.

RULE 6.

An oil well in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be a well producing from the vertical and horizontal limits of the Pool and not classified as a gas well.

RULE 7.

The limiting Gas-Oil Ratio for oil wells in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be 6000 cubic feet of gas per barrel of oil.

RULE 8.

Commingling in the well bore of production from oil zones and gas zones in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool is prohibited.

RULE 9.

In submitting Form C-115 on gas wells producing from the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool, the operator shall estimate the condensate and gas volumes produced by each well in the Blinebry, Tubb, and Drinkard zones by using the ratios as reflected in the most recent tests submitted if separate metering equipment for each zone is not utilized.

RULE 10.

Oil wells in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall receive oil and casinghead gas allowables as provided in either Rule 701F.3 or Rules 503, 505 and 506 of the Division Rules and Regulations.

RULE 11.

An oil well in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool may be recompleted as a gas well in the Blinebry or Tubb formations provided the operator of such well makes application to and receives approval from the District Supervisor for such recompletion.

RULE 12.

All gas wells in the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be subject to the same pool rules as would be applicable to gas wells completed in either or both the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool; except that such gas wells shall not be subject to any provision in either set of pool rules relating to classification by gas-liquid hydrocarbon ratio, nor shall they be subject to any provision within such rules prohibiting multiple assignments of acreage, except as provided by Rule 4 above. To the extent applicable rules of either the Blinebry Oil and Gas Pool or the Tubb Oil and Gas Pool conflict with the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool rules, the latter shall control.

RULE 13.

Special Pool Rules and Regulations for the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be applicable only within the pool boundaries.

RULE 14.

Any expansion of the boundaries of the North Eunice Blinebry-Tubb-Drinkard Oil and Gas Pool shall be only upon application filed after notice under Rule 1207 and hearing.

[WPP:47]