

**RAILROAD COMMISSION OF TEXAS  
OFFICE OF GENERAL COUNSEL**

**OIL AND GAS DOCKET  
NO. 10-0233463**

**IN THE HOOVER, NE (GRANITE  
WASH) FIELD, GRAY COUNTY, TEXAS**

**FINAL ORDER  
AMENDING RULES 1 AND 3 OF THE FIELD RULES  
ADOPTED IN FINAL ORDER NO. 10-0214831  
ISSUED EFFECTIVE APRIL 15, 1997, AS AMENDED,  
FOR THE HOOVER, NE (GRANITE WASH) FIELD  
GRAY COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on January 30, 2003, the presiding examiner has 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 examiner's 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 Rules 1 and 3 of the field rules, adopted in Final Order No. 10-0214831, issued effective April 15, 1997, as amended, for the Hoover, NE (Granite Wash) Field, Gray County, Texas be and they are amended as hereafter set out.

**RULE 1:** The entire correlative interval from 5582 feet to 9100 feet as shown on the Dual induction laterolog of the Newfield Expl. Mid-Con, Inc., (originally Jones Energy, Ltd) Spearman 26 Lease Well No. 2 (API No. 179-32258), Section 26, Block 3, I&GN RR Survey, Gray County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Hoover, NE (Granite Wash) Field.

**RULE 3:** The acreage assigned to the individual gas well for the purpose of allocating allowable gas production thereto shall be known as a proration unit. The standard drilling and proration units are established hereby to be SIX HUNDRED FORTY (640) acres. No proration unit shall consist of more than SIX HUNDRED FORTY (640) acres; provided that, tolerance acreage of ten (10) percent shall be allowed for each standard proration unit so that an amount not to exceed a maximum of SEVEN HUNDRED FOUR (704) acres may be assigned. The two farthestmost points in any proration unit shall not be in excess of EIGHT THOUSAND FIVE HUNDRED (8500) feet removed from each other. Each proration unit containing less than SIX HUNDRED FORTY (640) acres shall be a fractional proration unit. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of gas. No double assignment of acreage will be accepted.

An operator, at his option, shall be permitted to form optional drilling units of FORTY (40) acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit. The two farthestmost points of a FORTY (40) acre fractional proration unit shall not be greater than TWO THOUSAND ONE HUNDRED (2100) 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.

Done this twenty-fifth day of February, 2003.

**RAILROAD COMMISSION OF TEXAS**

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**Chairman Michael L. Williams**

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**Commissioner Charles R. Matthews**

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**Commissioner Victor G. Carrillo**

**ATTEST:**

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**Secretary**