



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 06-0291054

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THE APPLICATION OF SAMSON LONE STAR, LLC TO AMEND FIELD RULES FOR THE OAK HILL (COTTON VALLEY) FIELD, GREGG, HARRISON, PANOLA, AND RUSK COUNTIES, TEXAS

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HEARD BY: Paul Dubois – Technical Examiner  
Terry Johnson – Hearings Examiner

HEARING DATE: September 15, 2014

APPEARANCES:

REPRESENTING:

APPLICANT:

James M. Clark

Samson Lone Star, LLC

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Field Rules for the Oak Hill (Cotton Valley) Field were adopted in Final Order No. 6-67,176, effective May 31, 1977, as amended. Samson Lone Star, LLC (Samson) seeks to amend the field rules by adding provisions for stacked lateral wells. The application is not protested. The examiners recommend the field rules be amended.

#### DISCUSSION OF THE EVIDENCE

The Oak Hill (Cotton Valley) Field is defined as the correlative interval from 8,670 feet to 10,469 feet as shown on the type log of the McCormick Oil & Gas Corp., G. W. Bird Estate Lease, Well No. 1 (API No. 42-401-30325), James McLain Survey, Rusk County, Texas. The field interval is 1,799 feet thick, and includes all reservoirs from the base of the Travis Peak Formation (at the top of the Cotton Valley) to the top of the Bossier Shale Formation (at the base of the Cotton Valley.) Within this interval the primary target for exploration has been the Cotton Valley Taylor Sand interval, which is about 300 feet thick at the base of the Cotton Valley. However, there is other production in shallower zones

within the Cotton Valley. Rules allowing stacked lateral wells may help operators prevent waste and promote the orderly development of the field by facilitating the development of multiple zones within the field's correlative interval by using horizontal well technology. Samson's own proposed W. C. Strong Well Nos. 7 and 8 would be more efficiently administered as stacked lateral wells than as separate wells. In addition, Samson identified 15 other Cotton Valley fields whose field rules provide for stacked lateral wells.

### **FINDINGS OF FACT**

1. Notice of this application and hearing was provided to all persons entitled to notice at least ten (10) days prior to the date of the hearing.
2. The field interval is 1,799 feet thick, and includes all reservoirs from the base of the Travis Peak Formation (at the top of the Cotton Valley) to the top of the Bossier Shale Formation (at the base of the Cotton Valley.)
3. Within this interval the primary target for exploration has been the Cotton Valley Taylor Sand interval, which is about 300 feet thick at the base of the Cotton Valley.
4. However, there is other production in shallower zones within the Cotton Valley.
5. Rules allowing stacked lateral wells may help operators prevent waste and promote the orderly development of the field by facilitating the development of multiple zones within the field's correlative interval by using horizontal well technology.
6. Samson's own proposed W. C. Strong Well Nos. 7 and 8 would be more efficiently administered as stacked lateral wells than as separate wells.
7. In addition, there are at least 15 other Cotton Valley fields whose field rules provide for stacked lateral wells.

### **CONCLUSIONS OF LAW**

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 1.45

3. The proposed field rules will prevent waste and promote the orderly development of the Oak Hill (Cotton Valley) Field.

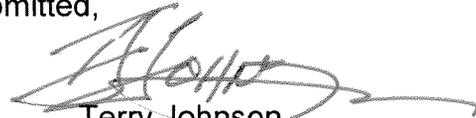
**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the examiners recommend that the Commission amend field rules for the Oak Hill (Cotton Valley) Field, as requested by Samson Lone Star, LLP.



Paul Dubois  
Technical Examiner

Respectfully submitted,



Terry Johnson  
Hearings Examiner