RAILROAD COMMISSION OF TEXAS

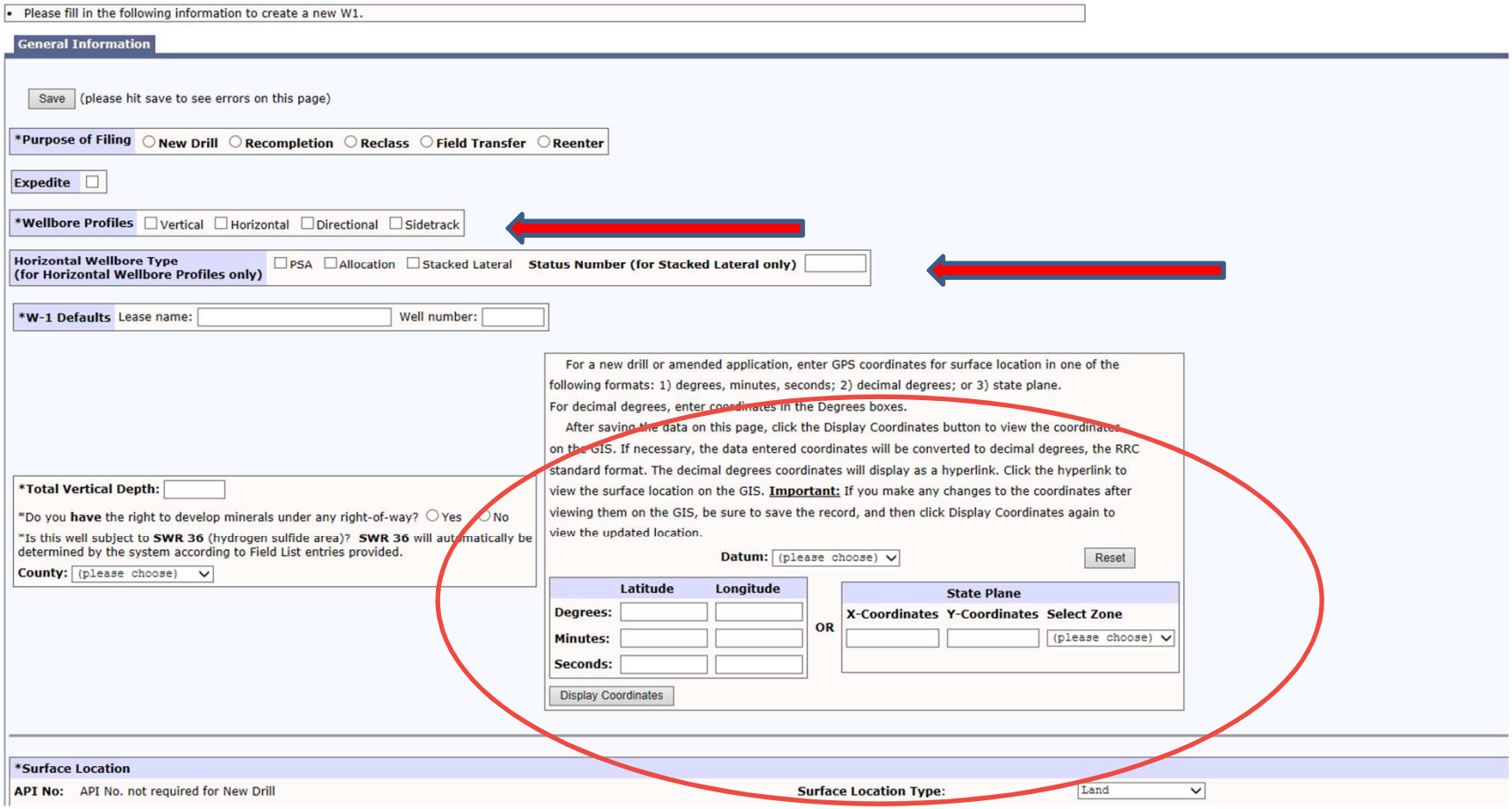
Spraberry and Permian Basin Topics

Lorenzo Garza

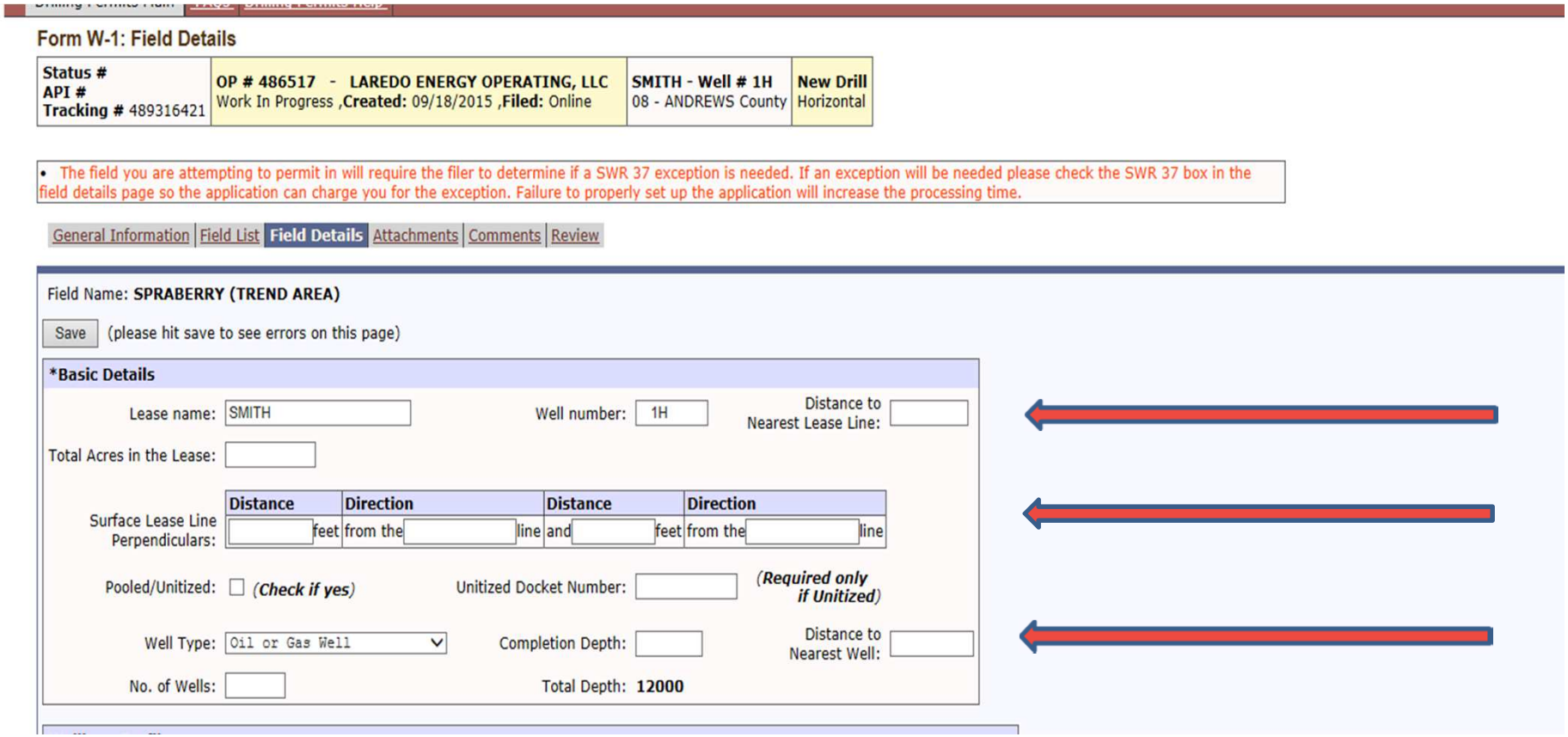
Presentation Overview

- Horizontal well permitting
- Rule interpretation
- Specialty permits
- How to use the P-16 data sheet
- General questions concerning drilling in this area

Horizontal Well Permitting



Horizontal Well Permitting



Form W-1: Field Details

Status # / API # / Tracking # 489316421	OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 09/18/2015 ,Filed: Online	SMITH - Well # 1H 08 - ANDREWS County	New Drill Horizontal

• The field you are attempting to permit in will require the filer to determine if a SWR 37 exception is needed. If an exception will be needed please check the SWR 37 box in the field details page so the application can charge you for the exception. Failure to properly set up the application will increase the processing time.

General Information | Field List | **Field Details** | Attachments | Comments | Review

Field Name: **SPRABERRY (TREND AREA)**

Save (please hit save to see errors on this page)

***Basic Details**

Lease name: SMITH Well number: 1H Distance to Nearest Lease Line:

Total Acres in the Lease:

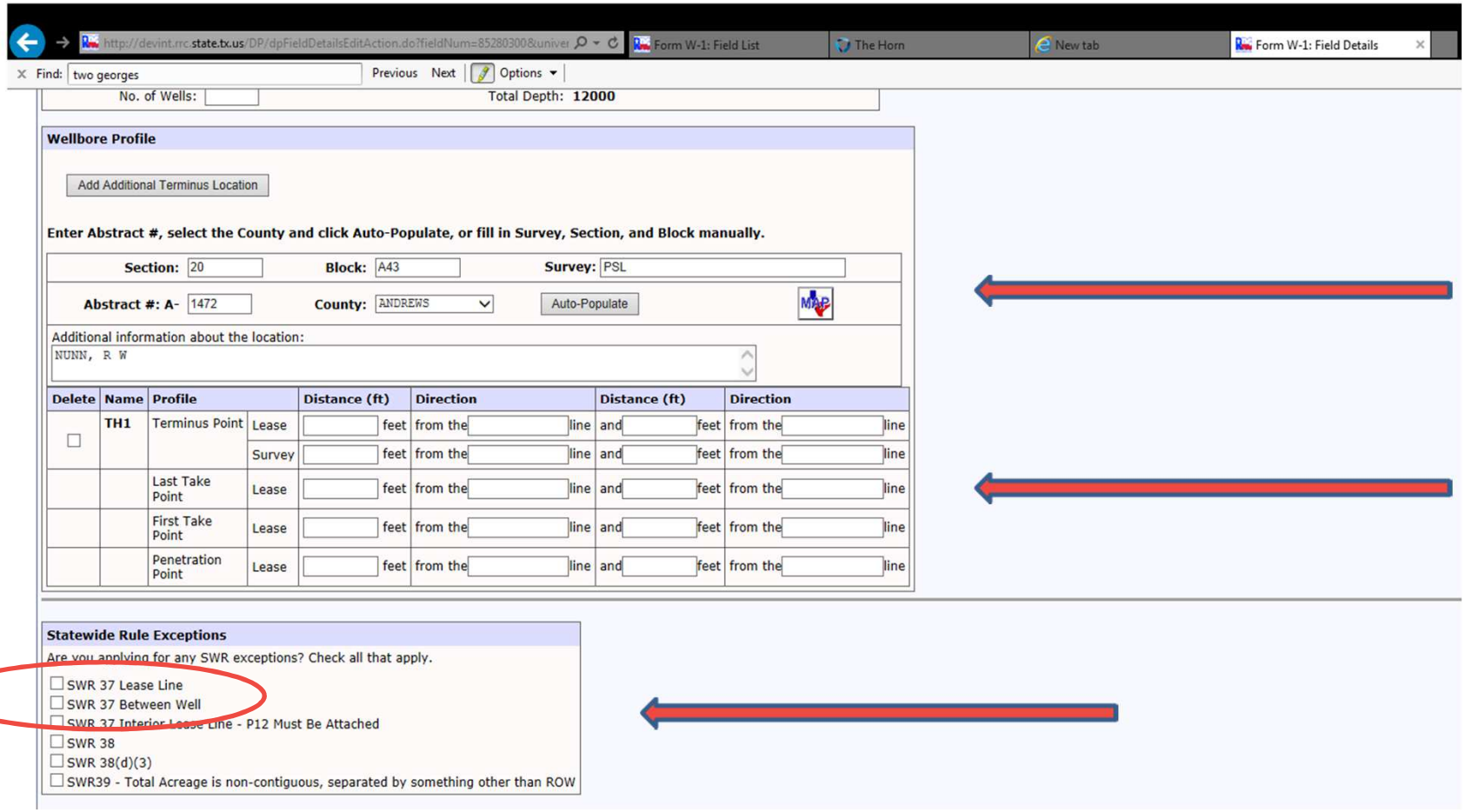
Surface Lease Line Perpendiculars:	Distance	Direction	Distance	Direction
	feet	from the line	and feet	from the line

Pooled/Unitized: ☐ *(Check if yes)* Unitized Docket Number: *(Required only if Unitized)*

Well Type: Oil or Gas Well Completion Depth: Distance to Nearest Well:

No. of Wells: Total Depth: **12000**

Horizontal Well Permitting



Horizontal Well Permitting

Oil Field Rules:

County Regular: N **Salt Dome:** N **Field Location:** LAND **Don't Permit:** N
Schedule Remarks: AFTER TESTING THE WELL.
Comments: R38 OK W/O DATA,P-15'S,ACLIST & LEASE PLAT OR PRO PLAT

Rule Type	Depth	Lease Spacing	Well Spacing	Acres per Unit	Tolerance Acres	Diagonal Code	Diagonal Max Length
Special Rules	All Depths	330	0	80.0	80.0	Corner to Corner	0

Gas Field Rules:

County Regular: N **Salt Dome:** N **Field Location:** LAND **Don't Permit:** N
Schedule Remarks: IS EARLIER.
Comments: R38 OK W/O DATA,P-15'S,ACLIST & LEASE PLAT OR PRO PLAT

Rule Type	Depth	Lease Spacing	Well Spacing	Acres per Unit	Tolerance Acres	Diagonal Code	Diagonal Max Length
Special Rules	All Depths	330	0	80.0	80.0		0

Special Horizontal Field Rules

Special Horizontal Field Rules: For informational purposes only. The Final Order controls all field rules.

Illustration Screen Help

Correlative Interval: From 6865 to 10605 feet

Established by API Number: 32931029

Dual Lease Line Take Point Spacing

First/Last Take Points (Heel and Toe) to Lease Line: 100 feet

Perpendicular Spacing from All Take Points to Lease Line: 330 feet

Off-Lease Penetration Point: Yes

Between-Well Spacing

Horizontal to Vertical: 0 feet

Horizontal to Horizontal: 0 feet

Overlap Distance: N/A

Subsurface Tolerance Box: 50 feet

Non-Perforation Zone (NPZ): Yes

Stacked Lateral Rules: Yes (If yes, see Final Order for details)

Special Rule 38 (Well Density) Provision

Upper: 79 acres

Lower: 20 acres

Notification Radius: 660 feet

Comments for the Special Field Rules

Comments: DOCKET NUMBER 7C-0291171 IS THE SECOND DOCKET APPROVED FOR THIS FIELD.

History: Final Orders that contain special horizontal field rules language

Docket Number	Final Order Effective Date	Final Order Document
7c-0291169	12/02/2014	Click Here

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Horizontal Well Permitting

Special Horizontal Field Rules: For informational purposes only. The Final Order controls all field rules.

Illustration Screen Help

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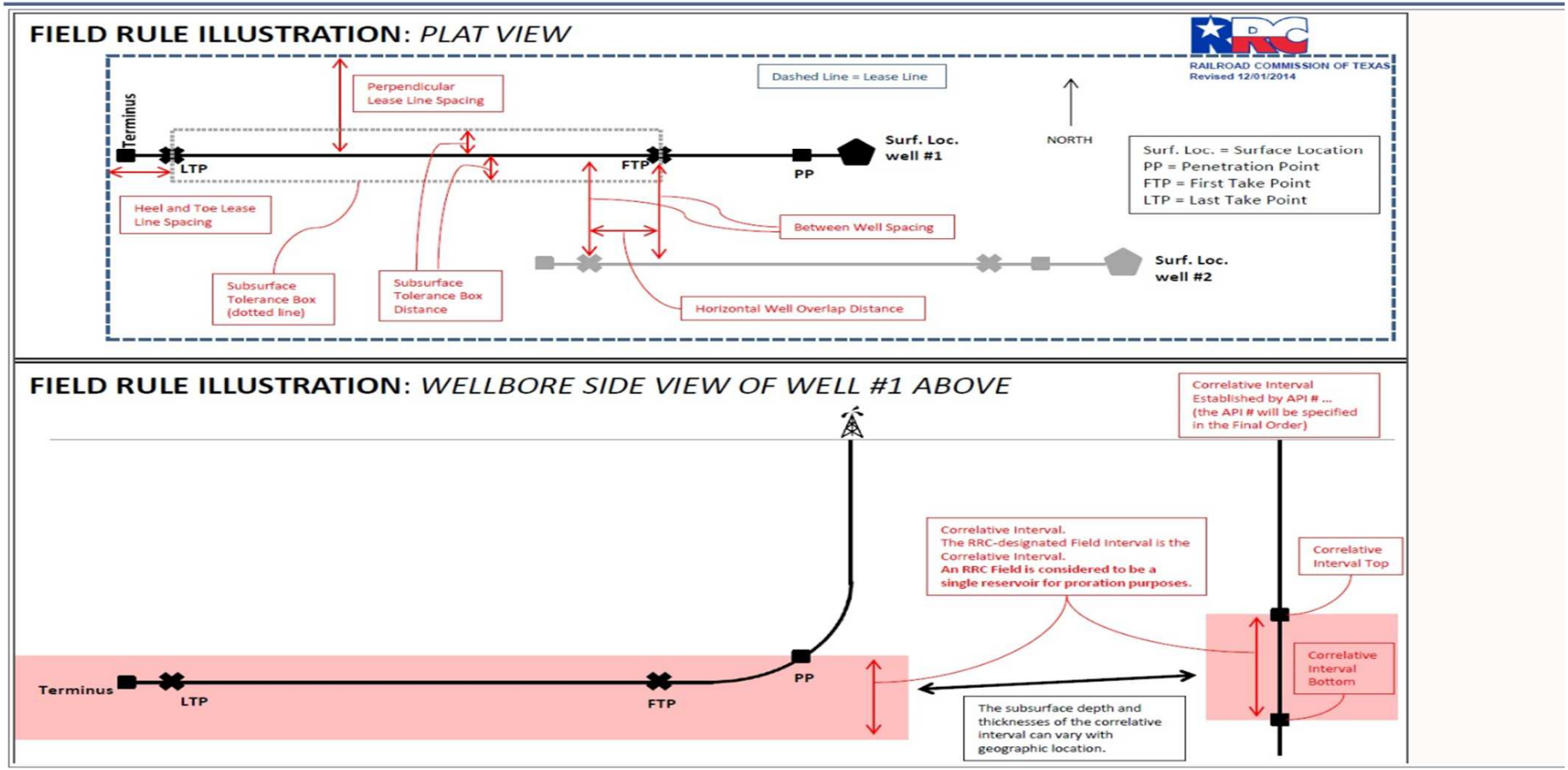
Horizontal Well Permitting

Special Horizontal Field Rules Help



Horizontal Well Permitting

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7c-0291169	12/02/2014	Click Here

Horizontal Well Permitting

Field Rule discussion

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

CONSOLIDATED OIL AND GAS DOCKET NOS. 7C-0291169 & 7C-0291171

IN THE SPRABERRY (TREND AREA) FIELD, VARIOUS COUNTIES, TEXAS

FINAL ORDER
AMENDING FIELD RULES FOR THE
THE SPRABERRY (TREND AREA) FIELD
VARIOUS COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on November 3, 2014, the presiding 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 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 examiners' report and

Horizontal Well Permitting

Field Rule discussion

Therefore, it is ORDERED by the Railroad Commission of Texas that the Field Rules for the Spraberry (Trend Area) Field in various counties, Texas, established on December 22, 1952, in Oil & Gas Docket Nos. 125 and 126, 7 & 8-25,841, are hereby amended. These field rules shall apply equally and independently to the following Field ID Numbers:

Spraberry (Trend Area) Field - District 7C - Field ID. No. 85279200
Spraberry (Trend Area) Field - District 8 - Field ID. No. 85280300
Spraberry (Trend Area) R 40 EXC Field - District 7C - Field ID. No. 85279201
Spraberry (Trend Area) R 40 EXC Field - District 8 - Field ID. No. 85280301

The amended field rules are hereby set out in their entirety as follows:

RULE 1: The entire correlative interval from 6,865 feet to 10,605 feet as shown on the log of the Pioneer Natural Res. USA, Inc. Houpt Lease, Well No. 1 (API No. 42-329-31029), Section 24, Block 39, T-2-S, T&P RR Co. Survey, Midland County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Spraberry (Trend Area) Field. This interval is intended to include all reservoirs between the top of the Clearfork and the top of the Strawn Formations.

Horizontal Well Permitting

Field rule discussion- Lease spacing

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

Provided, however, that for purposes of spacing for horizontal drainhole wells, the following shall apply:

a. A take point in a horizontal drainhole well is any point along a horizontal drainhole where oil and/or gas can be produced from the reservoir/field interval. The first take point may be at a different location than the penetration point and the last take point may be at a location different than the terminus point.

b. No horizontal drainhole well for oil or gas shall hereafter be drilled such that the first and last take points are nearer than ONE HUNDRED (100) feet to any property line, lease line or subdivision line.

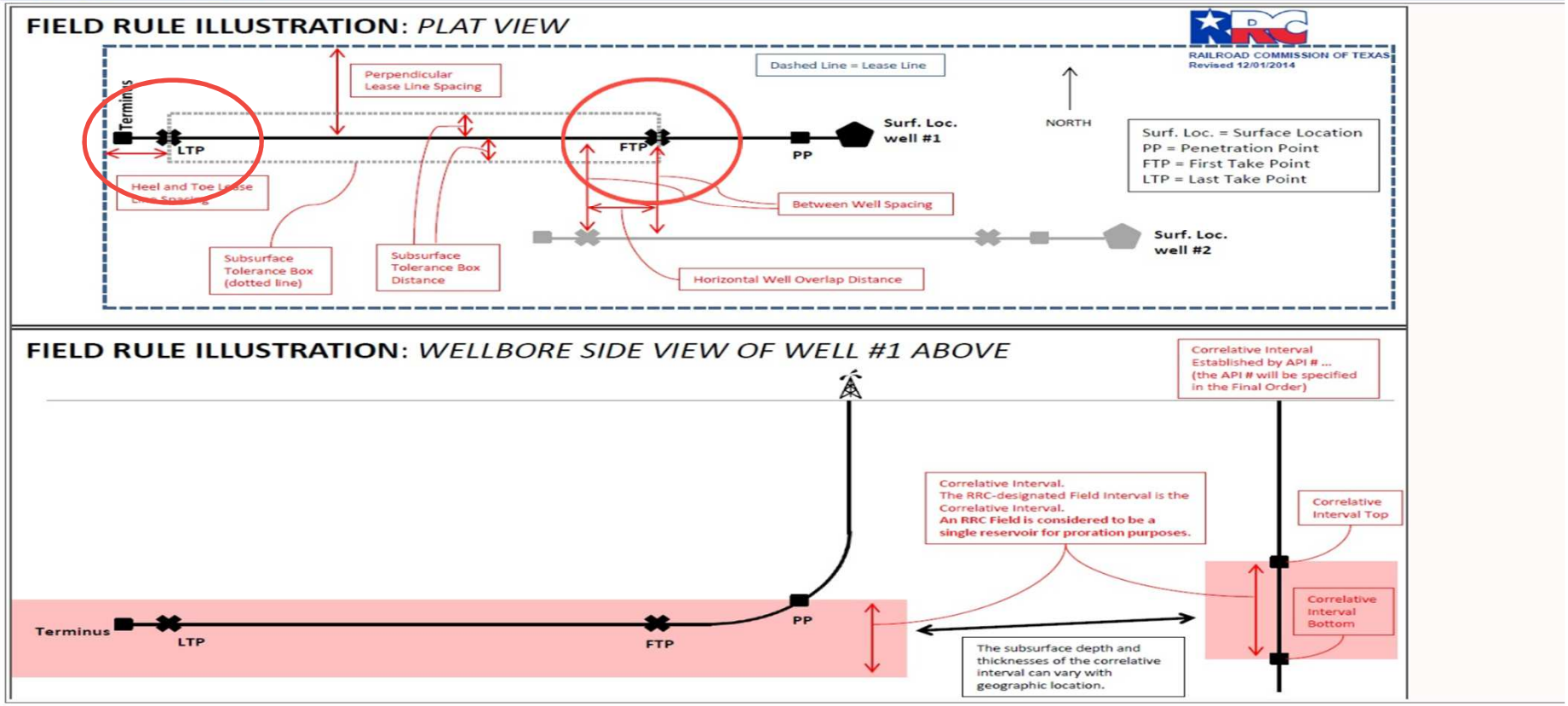
c. For each horizontal drainhole well, the distance perpendicular to such horizontal drainhole from any take point to any point on any property line, lease line or subdivision line shall be a minimum of THREE HUNDRED THIRTY (330) feet.

For the purpose of assigning additional acreage to a horizontal drainhole well pursuant to Statewide Rule 86, the distance from the first take point to the last take point

Horizontal Well Permitting

Field rule discussion- Lease spacing

Special Horizontal Field Rules Help



Horizontal Well Permitting

Field rule discussion- plat requirements

For the purpose of assigning additional acreage to a horizontal drainhole well pursuant to Statewide Rule 86, the distance from the first take point to the last take point in the horizontal drainhole shall be used in such determination, in lieu of the distance from penetration point to terminus.

In addition to the penetration point and the terminus of the wellbore required to be identified on the drilling permit application (Form W-1H) and plat, the first and last take points must also be identified on the drilling permit application (Remarks Section) and plat. Operators shall file an as-drilled plat showing the path, penetration point, terminus and the first and last take points of all drainholes in horizontal wells, regardless of allocation

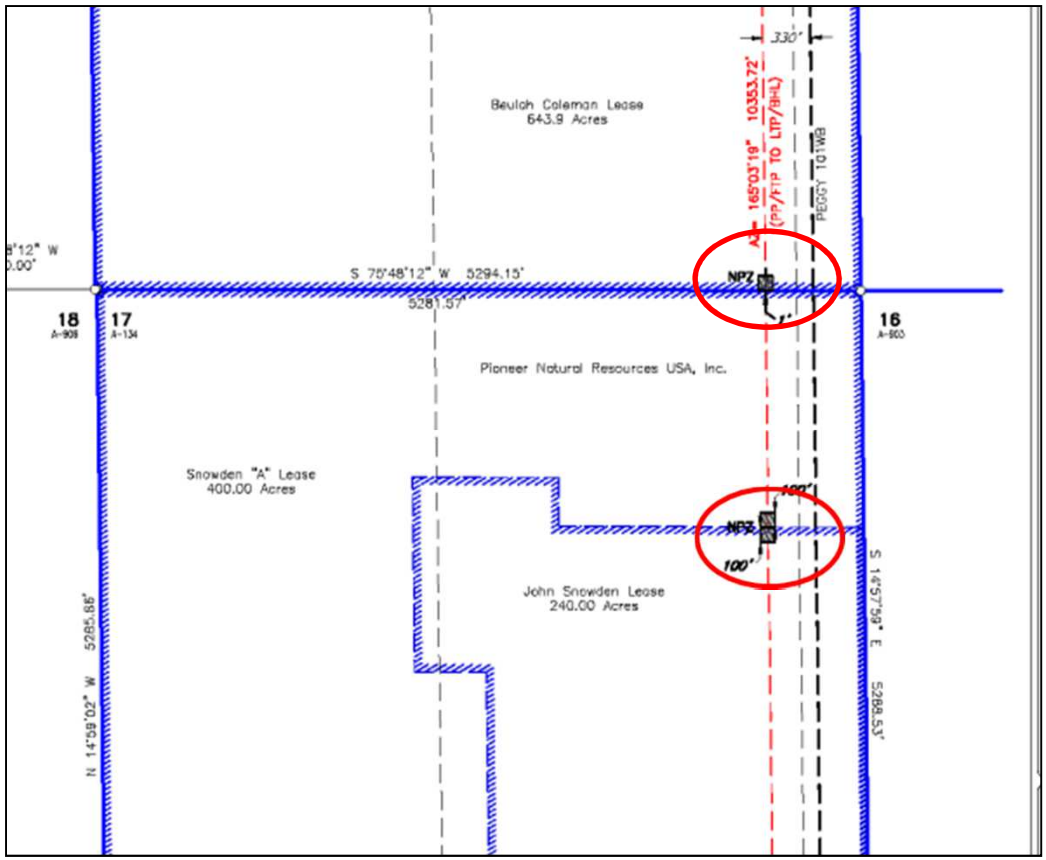
Horizontal Well Permitting

Field rule discussion- SWR 37 and NPZ's

If the applicant has represented in the drilling application that there will be one or more no perf zones or "NPZs" (portions of the wellbore within the field interval without take points), then the as-drilled plat filed after completion of the well shall be certified by a person with knowledge of the facts pertinent to the application that the plat is accurately drawn to scale and correctly reflects all pertinent and required data. In addition to the standard required data, the certified plat shall include the as-drilled track of the wellbore, the location of each take point on the wellbore, the boundaries of any wholly or partially unleased tracts within a Rule 37 distance of the wellbore, and notations of the shortest distance from each wholly or partially unleased tract within a Rule 37 distance of the wellbore to the nearest take point on the wellbore.

Horizontal Well Permitting

Field rule discussion- SWR 37 and NPZ's



Horizontal Well Permitting

Field rule discussion- as-drilled location compliance check

A properly permitted horizontal drainhole will be considered to be in compliance with the spacing rules set forth herein if the as-drilled location falls within a rectangle established as follows:

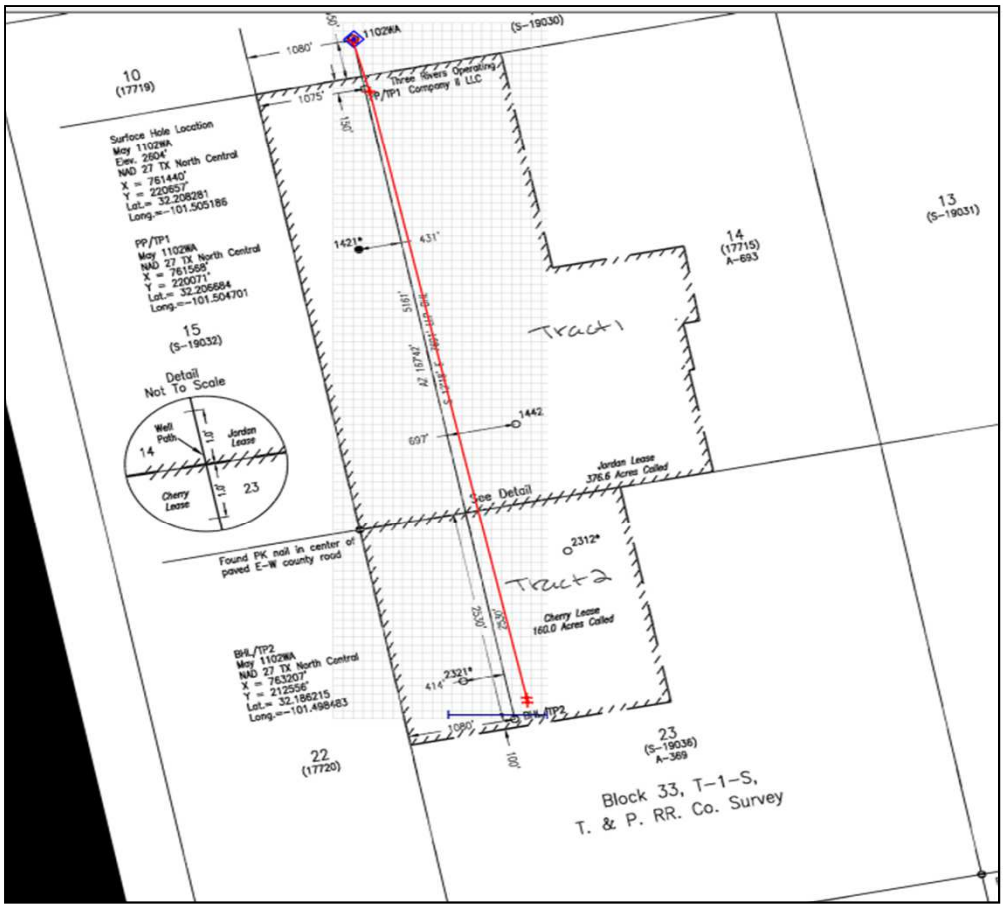
a. Two sides of the rectangle are parallel to the permitted drainhole and 50 feet on either side of the drainhole;

b. The other two sides of the rectangle are perpendicular to the sides described in (a) above, with one of those sides passing through the first take point and the other side passing through the last take point.

Any take point of a horizontal drainhole outside of the described rectangle must conform to the permitted distance to the nearest property line, lease line or subdivision line.

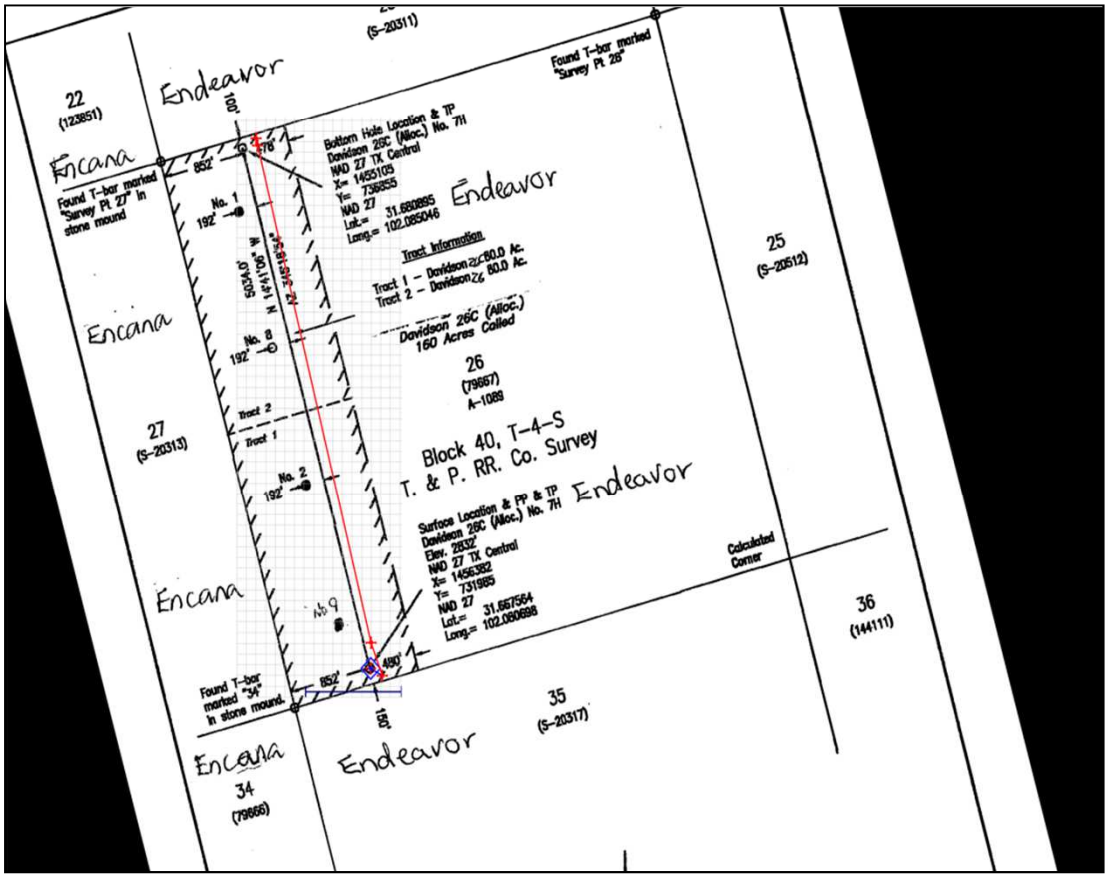
Horizontal Well Permitting

Field rule discussion- as-drilled location compliance check



Horizontal Well Permitting

Field rule discussion- as-drilled location compliance check



Horizontal Well Permitting

Field rule discussion- off lease penetration point

For any well permitted in this field, the penetration point need not be located on the same lease, pooled unit or unitized tract on which the well is permitted and may be located on an Offsite Tract. When the penetration point is located on such Offsite Tract, the applicant for such a drilling permit must give 21 days notice by certified mail, return receipt requested to the mineral owners of the Offsite Tract. For the purposes of this rule, the mineral owners of the Offsite Tract are (1) the designated operator; (2) all lessees of record for the Offsite Tract where there is no designated operator; and (3) all owners of unleased mineral interests where there is no designated operator or lessee. In providing such notice, applicant must provide the mineral owners of the Offsite Tract with a plat clearly depicting the projected path of the entire wellbore. In the event the applicant is unable, after due diligence, to locate the whereabouts of any person to whom notice is required by this rule, the applicant must publish notice of this application pursuant to the Commission's Rules of Practice and Procedure. If any mineral owner of the Offsite Tract objects to the location of the penetration point, the applicant may request a hearing to demonstrate the necessity of the location of the penetration point of the well to prevent waste or to protect correlative rights. Notice of Offsite Tract penetration is not required if (a) written waivers of objection are received from all mineral owners of the Offsite Tract; or, (b) the applicant

Horizontal Well Permitting

Field rule discussion- SWR 38 notification

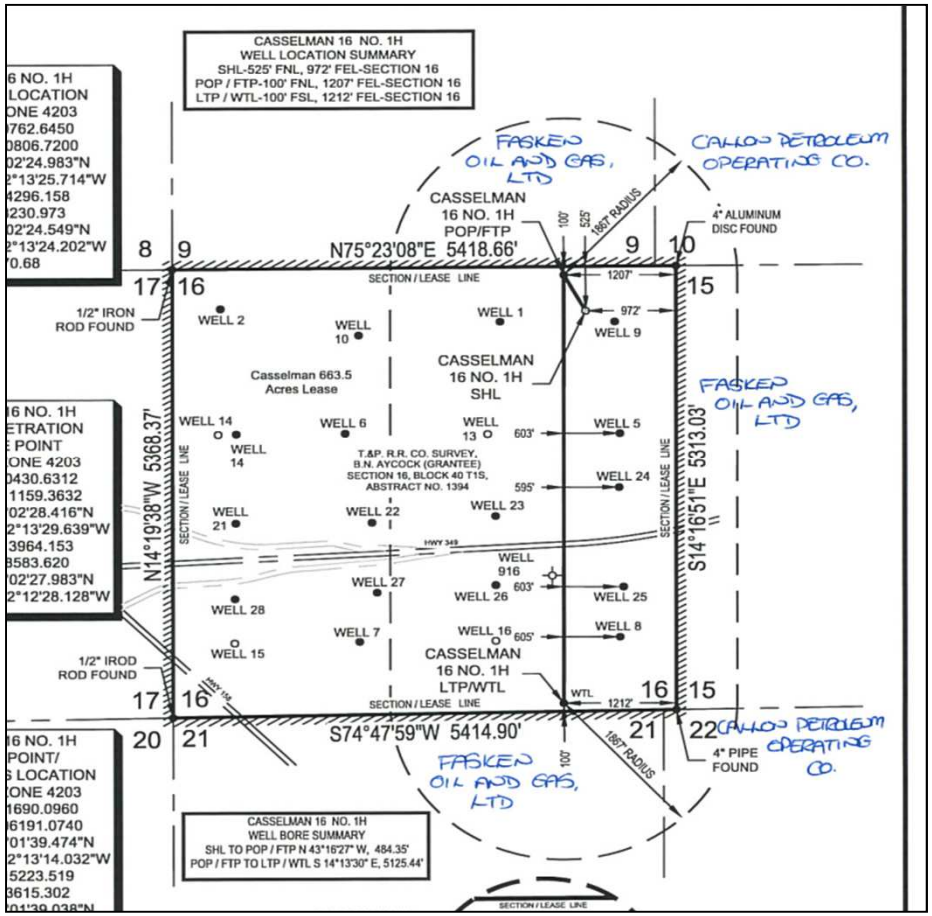
Under the following conditions, an operator, at its option, shall be granted an exception to Statewide Rule 38 and permitted to form fractional units of less than EIGHTY (80) acres, but not less than TWENTY (20) acres:

a. The Railroad Commission shall notify in writing the designated operators, lessees of record for tracts that have no designated operator, and all owners of unleased mineral interests (i) within SIX HUNDRED SIXTY (660) feet from the location of a vertical well or (ii) within SIX HUNDRED SIXTY (660) feet of any point on a horizontal well within the correlative interval.

b. Designated operators, lessees of record for tracts that have no designated operator, and all owners of unleased mineral interests receiving this written notification shall have 21 days from the date of issuance of the notice of application for a Rule 38 density exception to file a written protest with the Railroad Commission, such protest to be received by the Railroad Commission within said 21 day period.

Horizontal Well Permitting

Field rule discussion- SWR 38 notification



Horizontal Well Permitting

Field rule discussion- depth severances

Where the ownership of oil and gas within the designated interval for Spraberry (Trend Area) Field has been divided horizontally, operators shall have the right to develop the individual ownership as follows:

g. Operators of tracts with no horizontal severance of ownership within the designated interval for the Spraberry (Trend Area) Field AND operators of the shallow rights above a horizontal severance of ownership within that same interval shall permit wells in District 8 under Field ID. Number 85280300 and in District 7C under Field ID. Number 85279200.

h. Operators with ownership of deep rights below a horizontal severance within the designated interval for the Spraberry (Trend Area) Field shall permit wells in District 8 under Field ID. Number 85280301 and in District 7C under Field ID. Number 85279201. These two field numbers for the Spraberry (Trend Area) Field shall be labeled "Spraberry (Trend Area) R 40 Exc" in the Commission's records.

Horizontal Well Permitting

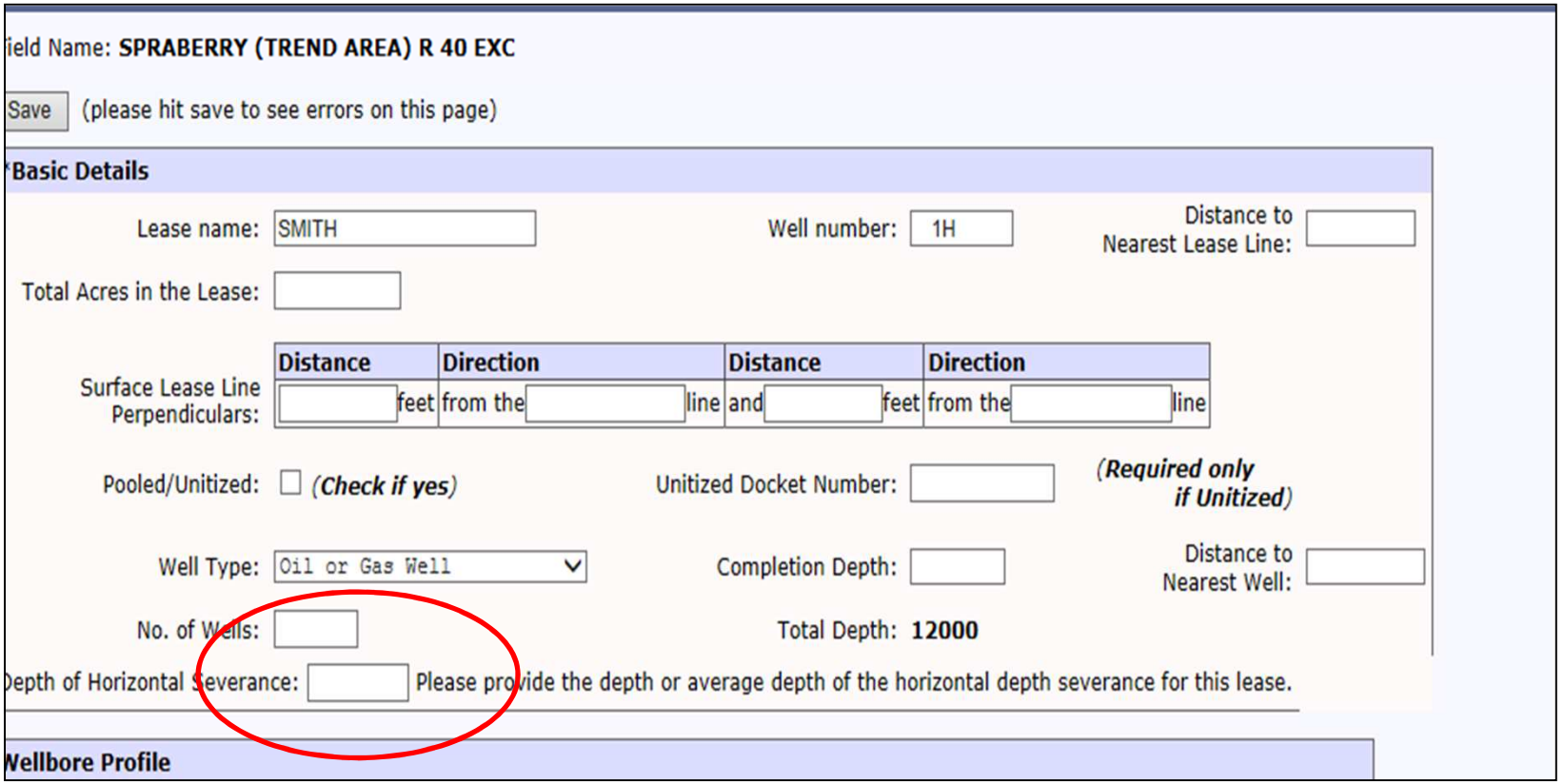
Field rule discussion- depth severances

i. Any operator using the Field ID. Numbers for "deep rights" certifies, by use of that number, that the ownership of the oil and gas rights is divided horizontally on the tract for which the drilling permit is sought. Operators using the Field ID Numbers for "deep rights" shall designate, in the Remarks Section of the W-1 and in the Remarks Section of the Completion Form, the depth or stratigraphic location of the horizontal severance.

j. Where the ownership of oil and gas is horizontally divided, the Field Rules for the Spraberry (Trend Area) Field will apply separately to wells drilled under the shallow Field Number and wells drilled under the deep Field Number, such that proration units on a tract above and below the horizontal division of ownership are independent and may overlap.

Horizontal Well Permitting

Field Rule discussion



ield Name: **SPRABERRY (TREND AREA) R 40 EXC**

Save (please hit save to see errors on this page)

Basic Details

Lease name: SMITH Well number: 1H Distance to Nearest Lease Line:

Total Acres in the Lease:

Surface Lease Line Perpendiculars:	Distance	Direction	Distance	Direction
	feet	from the line	and feet	from the line

Pooled/Unitized: ☐ *(Check if yes)* Unitized Docket Number: *(Required only if Unitized)*

Well Type: Oil or Gas Well Completion Depth: Distance to Nearest Well:

No. of Wells: Total Depth: **12000**

Depth of Horizontal Severance: Please provide the depth or average depth of the horizontal depth severance for this lease.

Wellbore Profile

Horizontal Well Permitting

Field rule discussion- separate vertical and horizontal acreage assignments

The density rules for the Spraberry (Trend Area) Field shall apply separately to horizontal wells and vertical wells such that proration units on a tract for horizontal and vertical wells are independent and may overlap. Operators shall file a P-16 Data Sheet or successor form along with the Form W-1 and completion report for all horizontal wells and all wells on a tract where both vertical wells and horizontal wells are assigned to the same field number on the same acreage in this field.

Horizontal Well Permitting

Field rule discussion- separate vertical and horizontal acreage assignments

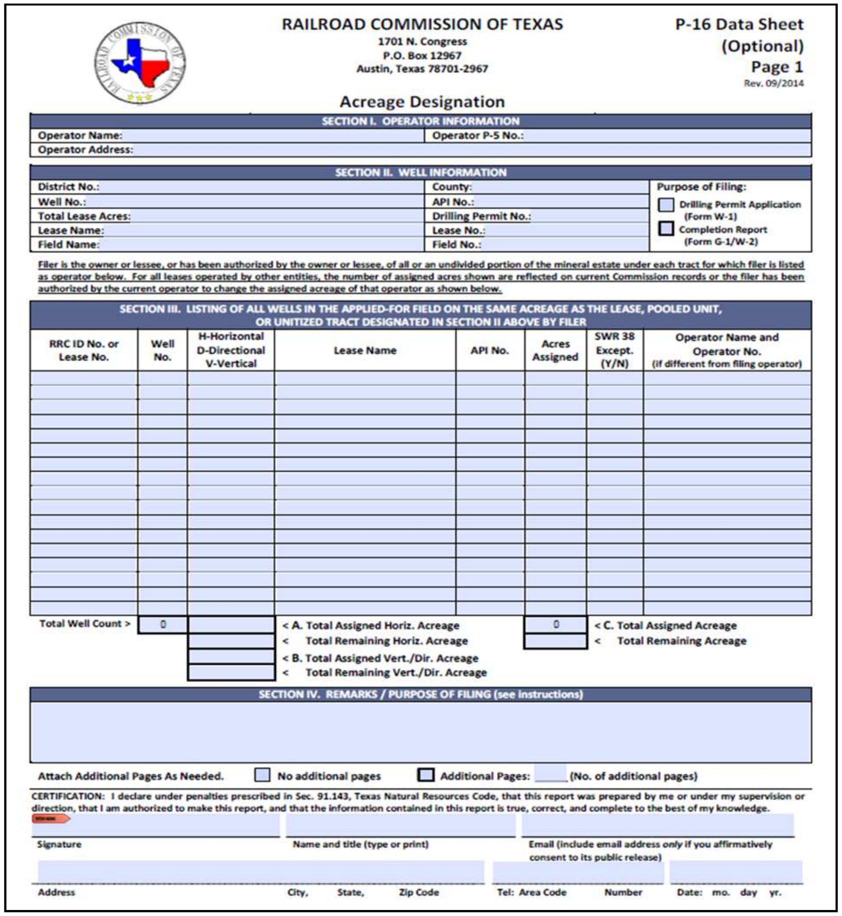
Additional Acreage Assignment

For Fields with a Density Rule Greater Than 40 Acres

Horizontal Drainhole Displacement, ft	Additional Acreage Allowed, acres
150 to 827	40
828 to 1,654	80
1,655 to 2,481	120
2,482 to 3,308	160
3,309 to 4,135	200
4,136 to 4,962	240
etc. - 827 ft increments	etc. - 40 acre increments

Horizontal Well Permitting

Field rule discussion- use of P-16



RAILROAD COMMISSION OF TEXAS
1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

P-16 Data Sheet
(Optional)
Page 1
Rev. 09/2014

Acreage Designation

SECTION I. OPERATOR INFORMATION

Operator Name: | Operator P-5 No.:
Operator Address:

SECTION II. WELL INFORMATION

District No.: | County:
Well No.: | API No.:
Total Lease Acres: | Drilling Permit No.:
Lease Name: | Lease No.:
Field Name: | Field No.:

Purpose of Filing:
☐ Drilling Permit Application (Form W-1)
☐ Completion Report (Form G-1/W-2)

Filer is the owner or lessee, or has been authorized by the owner or lessee, of all or an undivided portion of the mineral estate under each tract for which filer is listed as operator below. For all leases operated by other entities, the number of assigned acres shown are reflected on current Commission records or the filer has been authorized by the current operator to change the assigned acreage of that operator as shown below.

SECTION III. LISTING OF ALL WELLS IN THE APPLIED-FOR FIELD ON THE SAME ACREAGE AS THE LEASE, POOLED UNIT, OR UNITIZED TRACT DESIGNATED IN SECTION II ABOVE BY FILER

RRC ID No. or Lease No.	Well No.	H-Horizontal D-Directional V-Vertical	Lease Name	API No.	Acres Assigned	SWR 38 Except. (Y/N)	Operator Name and Operator No. (if different from filing operator)

Total Well Count > 0
< A. Total Assigned Horiz. Acreage
< Total Remaining Horiz. Acreage
< B. Total Assigned Vert./Dir. Acreage
< Total Remaining Vert./Dir. Acreage
0 < C. Total Assigned Acreage
< Total Remaining Acreage

SECTION IV. REMARKS / PURPOSE OF FILING (see instructions)

Attach Additional Pages As Needed. ☐ No additional pages ☐ Additional Pages: ____ (No. of additional pages)

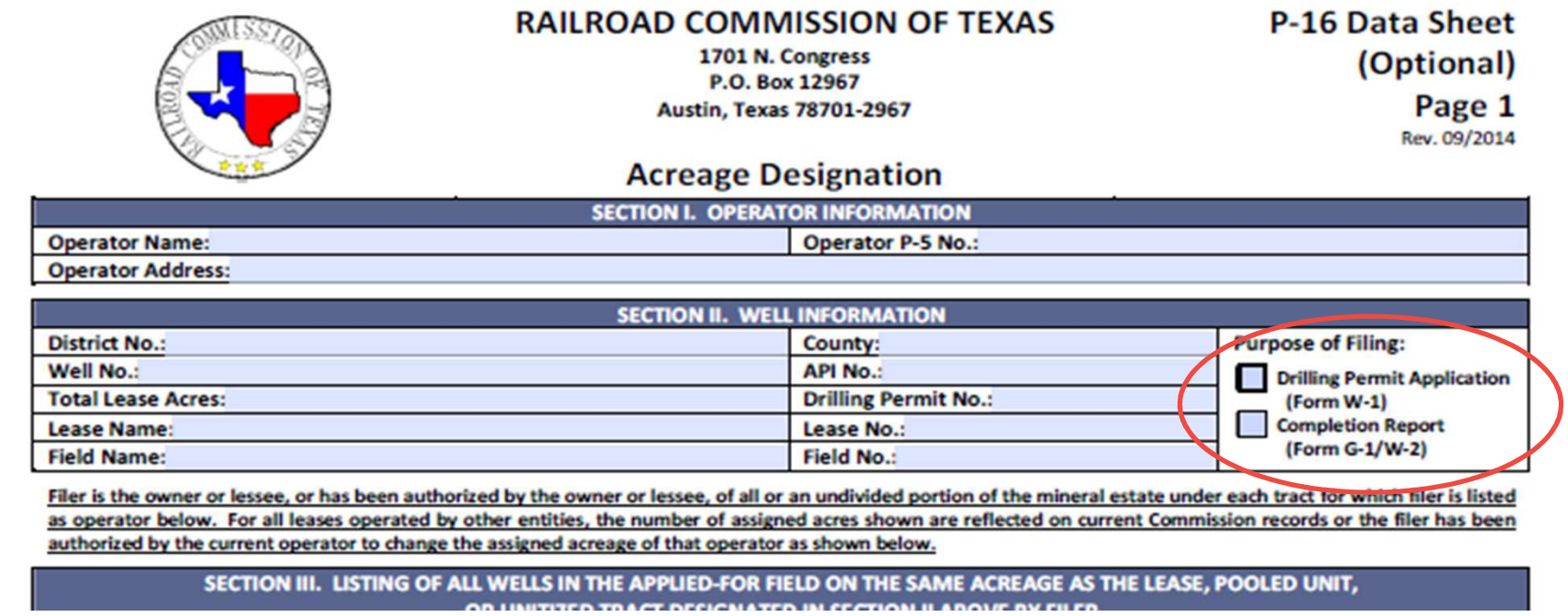
CERTIFICATION: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that this report was prepared by me or under my supervision or direction, that I am authorized to make this report, and that the information contained in this report is true, correct, and complete to the best of my knowledge.

Signature | Name and title (type or print) | Email (include email address *only* if you affirmatively consent to its public release)

Address | City, State, Zip Code | Tel: Area Code Number | Date: mo. day yr.

Horizontal Well Permitting

Field rule discussion- use of P-16



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P.O. Box 12967
Austin, Texas 78701-2967

P-16 Data Sheet
(Optional)
Page 1
Rev. 09/2014

Acreage Designation

SECTION I. OPERATOR INFORMATION	
Operator Name:	Operator P-5 No.:
Operator Address:	

SECTION II. WELL INFORMATION		
District No.:	County:	Purpose of Filing:
Well No.:	API No.:	☐ Drilling Permit Application (Form W-1)
Total Lease Acres:	Drilling Permit No.:	☐ Completion Report (Form G-1/W-2)
Lease Name:	Lease No.:	
Field Name:	Field No.:	

Filer is the owner or lessee, or has been authorized by the owner or lessee, of all or an undivided portion of the mineral estate under each tract for which filer is listed as operator below. For all leases operated by other entities, the number of assigned acres shown are reflected on current Commission records or the filer has been authorized by the current operator to change the assigned acreage of that operator as shown below.

SECTION III. LISTING OF ALL WELLS IN THE APPLIED-FOR FIELD ON THE SAME ACREAGE AS THE LEASE, POOLED UNIT,

Question for you: What is the primary function of the Drilling Permit section when processing a W-1 drilling permit application?

Horizontal Well Permitting

Field rule discussion- use of P-16

SECTION III. LISTING OF ALL WELLS IN THE APPLIED-FOR FIELD ON THE SAME ACREAGE AS THE LEASE, POOLED UNIT, OR UNITIZED TRACT DESIGNATED IN SECTION II ABOVE BY FILER

RRC ID No. or Lease No.	Well No.	H-Horizontal D-Directional V-Vertical	Lease Name	API No.	Acres Assigned	SWR 38 Except. (Y/N)	Operator Name and Operator No. (if different from filing operator)
Total Well Count >	0		< A. Total Assigned Horiz. Acreage		0		< C. Total Assigned Acreage
			< Total Remaining Horiz. Acreage				< Total Remaining Acreage
			< B. Total Assigned Vert./Dir. Acreage				
			< Total Remaining Vert./Dir. Acreage				

SECTION IV. REMARKS / PURPOSE OF FILING (see instructions)

Attach Additional Pages As Needed. ☐ No additional pages ☐ Additional Pages: ____ (No. of additional pages)

CERTIFICATION: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that this report was prepared by me or under my supervision or direction, that I am authorized to make this report, and that the information contained in this report is true, correct, and complete to the best of my knowledge.

Signature | Name and title (type or print) | Email (include email address *only* if you affirmatively consent to its public release)

Horizontal Well Permitting

Field rule discussion- use of P-16

RAILROAD COMMISSION OF TEXAS
1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

P-16 Data Sheet (Optional)
Page 2
Rev. 09/2014

Acreage Designation

Filer is the owner or lessee of all or an undivided portion of the minerals under each tract listed below and has the legal right to drill on each tract traversed by the well that will have perforations or other take points open in the interval of the applied-for field(s). All tracts listed will actually be traversed by the wellbore or the filer has pooling authority or other contractual authority, such as a production sharing agreement, authorizing inclusion of the non-drillsite tract in the acreage assigned to the well.

SECTION V. LISTING OF ALL TRACTS CONTRIBUTING ACREAGE TO AN RRC DESIGNATED DRILLSITE DEVELOPMENTAL UNIT THAT IS NOT A SINGLE LEASE, POOLED UNIT, OR GROUP OF TRACTS UNITIZED BY CONTRACT FOR PURPOSES OF SECONDARY RECOVERY

RRC ID No. or Lease No.	Lease Name	Beginning Lease Acreage	Allocated Lease Acreage	Ending Lease Acreage	Operator Name and Operator No. (if different from filing operator)
		Total Allocated Acreage >	0	0	< Total Lease Acreage

Horizontal Well Permitting

Field rule discussion- use of P-16

Filer is the owner or lessee, or has been authorized by the owner or lessee, of all or an undivided portion of the mineral estate under each tract for which filer is listed as operator below. For all leases operated by other entities, the number of assigned acres shown are reflected on current Commission records or the filer has been authorized by the current operator to change the assigned acreage of that operator as shown below.

SECTION VI. LISTING OF ALL WELLS IN THE APPLIED FOR FIELD ON THE SAME ACREAGE AS THE LEASE OR POOLED UNIT DESIGNATED FOR THE TRACTS LISTED IN SECTION V BY FILER

RRC ID No. or Lease No.	Well No.	Acres Assigned	SWR 38 Except. (Y/N)	H-Horizontal D-Directional V-Vertical	RRC ID No. or Lease No.	Well No.	Acres Assigned	SWR 38 Except. (Y/N)	H-Horizontal D-Directional V-Vertical
A. Total Wells & Acreage >	0	0			A. Total Wells & Acreage >	0	0		
B. Total Assigned Horiz. Acreage >					B. Total Assigned Horiz. Acreage >				
C. Total Assigned Vert./Dir. Acreage >					C. Total Assigned Vert./Dir. Acreage >				

SECTION VII. REMARKS

Horizontal Well Permitting

Field rule discussion- stacked laterals

RULE 6: For oil and gas wells, Stacked Lateral Wells within the correlative interval for the field that are drilled from different wellbores may be considered a single well for regulatory purposes, as provided below:

1. A horizontal drainhole well qualifies as a Stacked Lateral Well under the following conditions:

   a. There are two or more horizontal drainhole wells on the same lease or pooled unit within the correlative interval for the field;

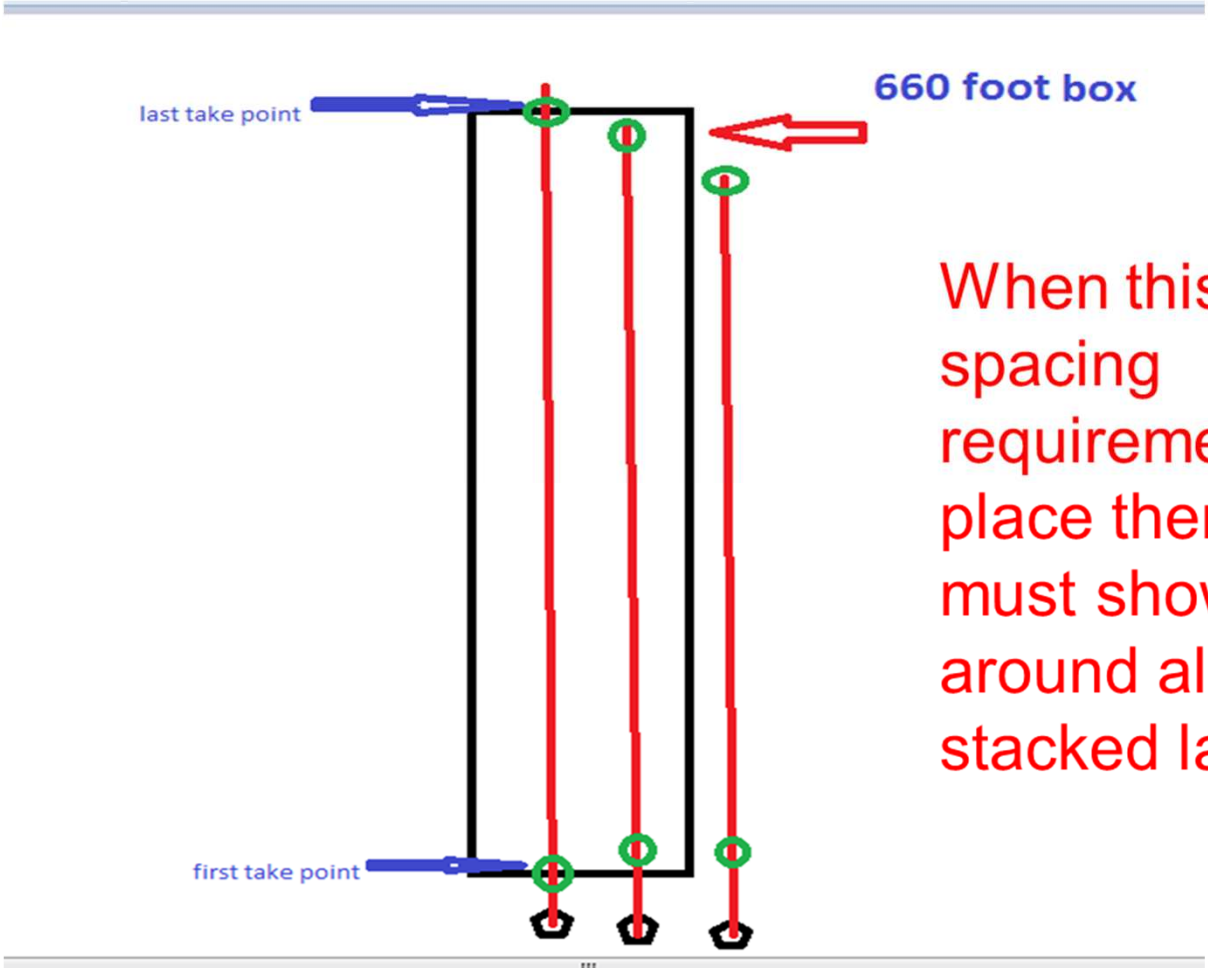
   b. Horizontal drainholes are drilled from different surface locations;

   c. All take points of a Stacked Lateral Well's horizontal drainholes shall be within a rectangular area the width of which is SIX HUNDRED SIXTY (660) feet, and the length of which is the distance from the two most distant take points; and

   d. There shall be no maximum or minimum distance limitations between horizontal drainholes of a Stacked Lateral Well in a vertical direction.

Horizontal Well Permitting

Field rule discussion- stacked laterals



When this type of spacing requirement is in place then plat must show box around all wells in stacked lateral

Horizontal Well Permitting

Field rule discussion- stacked laterals

2. A Stacked Lateral Well, including all surface locations and horizontal drainholes comprising such Stacked Lateral Well, shall be considered as a single well for density and allowable purposes.

   a. The requirements of Statewide Rule 86(d)(4) shall not apply to stacked lateral wells.

   b. For the purpose of assigning additional acreage to the Stacked Lateral Well pursuant to Rule 86, the horizontal drainhole displacement shall be calculated based on the distance from the first take point to the last take point in the horizontal drainhole for the Record Well, regardless of the horizontal drainhole displacement of other horizontal drainholes of the Stacked Lateral Well.

Horizontal Well Permitting

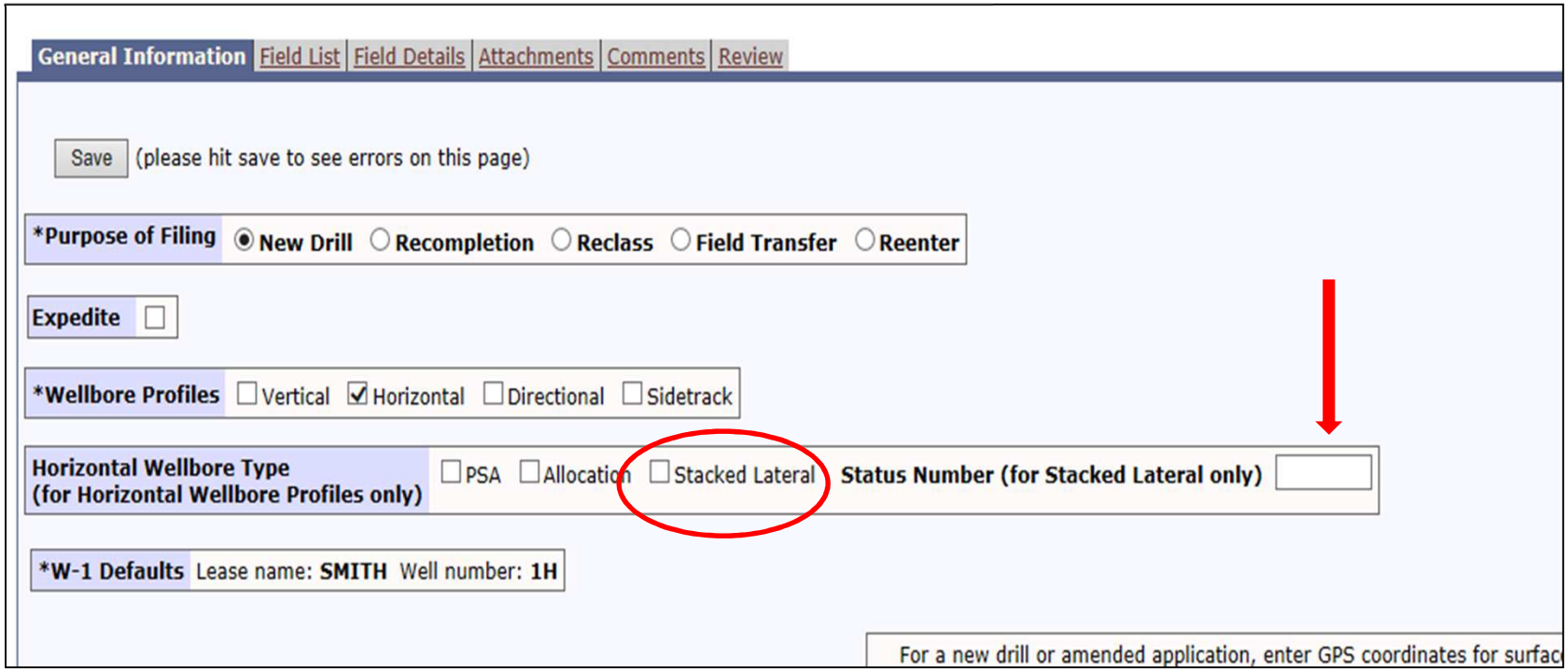
Field rule discussion- stacked laterals

3. Each surface location of a Stacked Lateral Well must be permitted separately and assigned an API number. In permitting a Stacked Lateral Well, the operator shall identify each surface location of such well with the designation "SL" in the well's lease name and also describe the well as a Stacked Lateral Well in the "Remarks" of the Form W-1 drilling permit application. The operator shall also identify on the plat any other existing, or applied for, horizontal drainholes comprising the Stacked Lateral Well being permitted.

4. To be a regular location, each horizontal drainhole of a Stacked Lateral Well must comply with (i) the field's minimum spacing distance as to any lease, pooled unit or property line, and (ii) the field's minimum between well spacing distance as to any different well, including all horizontal drainholes of any other Stacked Lateral Well, on the same lease or pooled unit in the field. Operators may seek exceptions to Rules 37 and 38 for Stacked Lateral Wells in accordance with the Commission 's rules, or any applicable rule for this field.

Horizontal Well Permitting

Field rule discussion- stacked laterals



Horizontal Well Permitting

Field rule discussion- stacked laterals

5. Operators shall file separate completion forms for each surface location of the Stacked Lateral Well. Operators shall also file a certified as-drilled location plat for each surface location of a Stacked Lateral Well showing each horizontal drainhole from that surface location, confirming the well's qualification as a Stacked Lateral Well and showing the maximum distances in a horizontal direction between each horizontal drainhole of the Stacked Lateral Well.

Spraberry Trend development questions:

- Can you form a pooled unit for horizontal well development utilizing tracts where there is already established vertical lease production?

- Can I drill a Allocation or PSA well as a Stacked Lateral?

Spraberry Trend development questions:

- Who do I need to notify for an off-lease penetration point if I am filing in the R40 (EXC) field?

- What happens if I am developing horizontal wells where a depth severance exists and there are vertical wells from the shallower lease with perforations below the severance depth?

Contact Information

For further questions concerning Drilling Permits please contact:

Lorenzo Garza

Phone: 512-463-2184

Email: Lorenzo.Garza@rrc.state.gov