

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL & GAS DOCKET NO.
02-0284942**

**IN THE SUGARKANE (EAGLE FORD)
FIELD, KARNES COUNTY, TEXAS**

**FINAL ORDER
DENYING THE APPLICATION OF PIONEER NATURAL RES. USA, INC.,
TO CONSIDER PERMANENT GAS WELL CLASSIFICATION
FOR ALL WELLS ON THE RIDLEY 01 UNIT,
SUGARKANE (EAGLE FORD) FIELD,
KARNES COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on November 13, 2013, April 29, 2015, and April 8, 2016, the presiding Technical Examiner and Administrative Law Judge have made and filed an Amended Proposal for Decision containing Findings of Fact and Conclusions of Law, for which service was required; that the proposed application is not 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 Amended Proposal for Decision, the Findings of Fact and Conclusions of Law contained therein, hereby adopts as its own Findings of Fact and Conclusions of Law contained therein with the exception of Findings of Fact Nos. 15(b), 15(b)(i), 15(b)(ii) and 19(e). The Commission declines to adopt Findings of Fact Nos. 15(b), 15(b)(i), 15(b)(ii) and 19(e) as written in the Amended Proposal for Decision, and instead adopts replacement Finding of Fact Nos. 15(b) and 19(e) stated below:

Replacement Findings of Fact:

- 15(b) Two up-dip wells (Spear Reynolds Unit A 1 and Schendel Unit 1) were classified as gas wells for a period of one year based on visual cell PVT analysis that indicated a dew point. These two wells were reclassified as permanent gas wells based on a re-tested GLR obtained about one year or more after the initial completion.

- 19(e) The Devon data indicates half of the wells in the study may yield liquid condensate in the reservoir at volumes that may exceed the critical condensate saturation for liquid mobility as that parameter has been routinely applied by the Commission in gas well classification cases.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of Pioneer Natural Res. USA, Inc., to consider permanent gas well classification for all wells on the Ridley 01 Unit, Sugarkane (Eagle Ford) Field, Karnes County, Texas, is hereby **DENIED**. Each exception to the Examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

It is further **ORDERED** that Ridley 01 Unit Well No. 6H (API No. 42-255-32960) is hereby permanently classified as a gas well, effective the date of initial completion.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Done this 15th day of November, 2016.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN DAVID PORTER

Christi Craddick

COMMISSIONER CHRISTI CRADDICK

Ryan Sitton

COMMISSIONER RYAN SITTON

ATTEST

Kathy Way

SECRETARY

