

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET  
NO. 08-0299392**

**SPRABERRY (TREND AREA)  
AND WILSHIRE  
(PENNSYLVANIAN) FIELDS,  
MIDLAND COUNTY, TEXAS**

**FINAL ORDER  
APPROVING XTO ENERGY INC'S APPLICATION FOR  
AUTHORITY TO DOWNHOLE COMMINGLE  
MIDKIFF 38 LEASE, WELL NO. 13 AND  
MIDKIFF 38 -B- LEASE, WELL NO. 7  
SPRABERRY (TREND AREA) AND WILSHIRE (PENNSYLVANIAN) FIELDS  
MIDLAND COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on April 22, 2016, the presiding Technical Examiner and Administrative Law Judge (collectively "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 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 the application of XTO Energy, Inc. for exception to Statewide Rule 10 for its Midkiff 38 Lease, Well No. 13, and Midkiff 38 -B- Lease, Well No. 7, Spraberry (Trend Area) and Wilshire (Pennsylvanian) Fields, is hereby approved. Such commingled production as is produced from the Midkiff 38 -B- Lease, Well No. 7, Spraberry (Trend Area) and Wilshire (Pennsylvanian) Fields shall be assigned to the Spraberry (Trend Area) Field for proration purposes. Commingled production may be assigned to the Spraberry (Trend Area) Field only as long as the allocation formula is suspended in both the Spraberry (Trend Area) and Wilshire (Pennsylvanian) Fields. If the status of either field changes it may be necessary to reassign commingled production to a prorated field.

Should secondary recovery operations be initiated in either of these reservoirs, it may be necessary to re-segregate these zones.

Further, acreage assigned to the Midkiff 38 Lease, Well No. 13, and Midkiff 38 -B- Lease, Well No. 7 for allocation of allowable shall not be assigned to any other well or wells projected to or completed in the Spraberry (Trend Area) and Wilshire (Pennsylvanian) Fields; such duplicate assignment of acreage is not acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

Commingled production from the Midkiff 38 Lease, Well No. 13 will be allocated as follows:

89% of the well's overall production to interest owners in the Spraberry (Trend Area) Field;

11% of the well's overall production to interest owners in the Wilshire (Pennsylvanian) Field.

Commingled production from the Midkiff 38 -B- Lease, Well No. 7 will be allocated as follows:

96.9% of the well's overall production to interest owners in the Spraberry (Trend Area) Field;

3.1% of the well's overall production to interest owners in the Wilshire (Pennsylvanian) Field.

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 06<sup>th</sup> day of June, 2017.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Divisions' Unprotested Master  
Order dated June 6, 2017)**