

**THE APPLICATION OF MERIT ENERGY COMPANY FOR BLANKET RULE 10 EXCEPTION FOR ALL WELLS IN THE WESTBROOK AND WESTBROOK (CLEARFORK, UPPER) FIELDS, MARTIN AND MITCHELL COUNTIES, TEXAS**

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**Heard by:** Andres J. Trevino, P.E., Technical Examiner

**Hearing Date:** April 15, 2011

**Appearances:**

**Representing:**

Dale Miller  
Andrew Nguyen

Merit Energy Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Merit Energy Company requests exception to Statewide Rule 10 for all current and future wells in Westbrook and Westbrook (Clear Fork, Upper) fields. Merit Energy requests that the field assignment for each individual wellbore be assigned to the Westbrook field

This application was unopposed and the examiner recommends approval of the requested Rule 10 authority.

**DISCUSSION OF THE EVIDENCE**

The Westbrook Field is an oil field discovered in 1921 at a depth of 3,100 feet which operates under Special Rules allowing 40 acre density with optional 10 acre units. The field has 985 oil wells. Cumulative production from the field is 122.6 MMBO.

The Westbrook (Clear Fork, Upper) is an oil field discovered in 1957 at a depth of 2,430 feet which operates under Special Rules allowing 20 acre density with optional 10 acre units. Cumulative production from the field is 1.27 MMBO. The field currently has four wells on the proration schedule.

The fields are undergoing waterflood development which began in 1968 with the unitization of the Westbrook Southwest Unit operated by Merit Energy. The Unit was approved effective December 20, 1968, under Oil and Gas Docket No. 8-58,957. The unitized formation defined in the Order as the Clearfork reservoir encountered between the logged depths of 2,410 feet and 3,300 feet in the Morrison "G" Well No.4 currently known as the Westbrook Southwest Unit Well No. 54.

The Energen Resources Corporation operates the Westbrook Southeast Unit and the North Westbrook Unit. The two units cover approximately 75% of the areal extent of the Westbrook Field. The Westbrook Southeast Unit was approved for commingling of the Upper Clear Fork and the Middle Clear Fork in August 2002 by Oil and Gas Docket Nos. 08-0231733 & 08-0231734. The North Westbrook Unit was approved for commingling of the Upper Clear Fork and the Middle Clear Fork in January 2008 by Oil and Gas Docket Nos. 08-0254451 & 08-0254452.

The reservoirs in other fields in the are commonly commingled. The Westbrook and Westbrook (Clear Fork, Upper) fields are bounded on the southwest by the Iatan (East Howard) Field, on the west by the Turner-Gregory (Clearfork) Field and on the east by the Westbrook, East Field. In all of these fields the Clear Fork and Upper Clear Fork are considered a single reservoir and the intervals are commingled. With the long history of commingling of reservoirs there has been on evidence of incompatibility of commingled production.

Incremental reserves will be produced as a result of commingling. This incremental production is a result of a lower combined economic limit of these marginal zones.

It is requested that wells which are downhole commingled in the subject fields be assigned to the Westbrook Field, the prominent productive field.

### **FINDINGS OF FACT**

1. Notice of this hearing was issued to all operators in the Westbrook and Westbrook (Clear Fork, Upper) Fields.
2. The Westbrook Field is an oil field discovered in 1921 at a depth of 3,100 feet which operates under Special Rules allowing 40 acre density with optional 10 acre units. The field has 985 oil wells. Cumulative production from the field is 122.6 MMBO.
3. The Westbrook (Clear Fork, Upper) is an oil field discovered in 1957 at a depth of 2,430 feet which operates under Special Rules allowing 20 acre density with optional 10 acre units. Cumulative production from the field is 1.27 MMBO. The field currently has four wells on the proration schedule.
4. The Westbrook Southwest Unit operated by Merit Energy was unitized effective December 20, 1968, under Oil and Gas Docket No. 8-58,957. The unitized formation defined in the Order as the Clearfork reservoir encountered between the logged depths of 2,410 feet and 3,300 feet. The interval includes the Middle and Upper Clear Fork formations.
5. The Westbrook Southeast Unit was approved for commingling of the Upper

Clear Fork and the Middle Clear Fork in August 2002. The North Westbrook Unit was approved for commingling of the Upper Clear Fork and the Middle Clear Fork in January 2008.

6. Other fields in the area such as the Iatan (East Howard) Field, the Turner-Gregory (Clearfork) Field and the Westbrook, East Field, considered the Middle Clear Fork and Upper Clear Fork as a single reservoir and are commingled.
7. Cross-flow between the fields is not expected. The wells will produce the zones on artificial lift and will be pumped off to prevent cross flow between the reservoirs and prevent reservoir damage.
8. Downhole commingling production from these fields will result in the recovery of incremental reserves from the marginal zone in the Upper Clear Fork.

#### **CONCLUSIONS OF LAW**

1. Proper notice was issued as required by all applicable codes and regulatory statutes.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. Approval of the requested Rule 10 exceptions for all wells in the Westbrook and Westbrook (Clear Fork, Upper) Fields will prevent waste and will not harm correlative rights.

#### **EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends approval of the requested Rule 10 exceptions for all wells in the subject fields, as specified in the attached order.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Examiner