

OIL AND GAS DOCKET NO. 06-0255207

THE APPLICATION OF XTO ENERGY TO CONSIDER INCREASED NET GOR AUTHORITY FOR THE CROMER NO. 10 IN THE RODESSA (TRAVIS PEAK) FIELD, MARION COUNTY, TEXAS

Heard by: Andres J. Trevino, P.E. on February 29, 2008

Appearances:

Rick Johnston

Representing:

XTO Energy

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

XTO Energy requests authority to produce its Cromer No. 10 under increased net gas-oil ratio authority with a daily gas limit of 250 MCFD. XTO Energy also requests that all overproduction for the well be canceled.

This application was unopposed and the examiner recommends approval of increased net gas-oil ratio authority with a daily gas limit of 250 MCFD and cancellation of overproduction.

DISCUSSION OF EVIDENCE

The Rodessa (Travis Peak) Field was discovered in 1959 at a depth of 6,520 feet. The allowable in the field is 111 BOPD, with a casinghead gas limit of 222 MCFD per well.

The Cromer No. 10 was completed in May 2007 with perforations between 6,685 feet and 6,762 feet. On initial test, the well produced at a rate of 88 BOPD, 402 MCF of gas and 10 BWPD flowing through a 20/64" choke with 320 psi flowing tubing pressure. Because the well was producing with a GOR of 4,568 cuft/bbl the well received a penalized oil allowable of 49 BOPD.

The well was tested at various rates. The testing demonstrates that the well is rate sensitive and produces at higher gas-oil ratios when restricted to rates near the current allowable of 202 MCFD. At a 20/64" choke, the well produced 295 MCFPD, 79 BOPD and

0 BWPD with a GOR of 3,738 cu.ft/bbl. At a 12/64" choke, the well produced 202 MCFPD, 25 BOPD and 0 BWPD with a GOR of 8,203 cu.ft/bbl. At reduced rates, the well begins to load, as evidenced by decreasing oil production. The most stable production occurred at rates of about 295 MCFD, when the average gas-oil ratio was the lowest at approximately 3,738 cubic feet per barrel.

Restricting oil production from the well is not necessary to prevent waste.

The well has no accumulated overproduction as of July 31, 2008. XTO Energy requests that any overage be canceled.

FINDINGS OF FACT

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing.
2. The top allowable in the Rodessa (Travis Peak) Field is 111 BOPD and 222 MCFD. There are five gas wells and no other producing oil wells in the field.
3. The Cromer No. 10 was completed in May 2007 and produced at a rate of 88 BOPD, 402 MCF of gas and 10 BWPD flowing through a 20/64" choke with 320 psi flowing tubing pressure.
4. The Cromer No. 10 is rate sensitive and produces at higher gas-oil ratios when restricted to rates near the current allowable of 202 MCFD.
5. The most stable production occurred at rates of about 295 MCFD, when the average gas-oil ratio was the lowest at 3,738 cubic feet per barrel.
6. Restricting oil production from the well is not necessary to prevent waste.
7. The well has no accumulated overproduction as of July 31, 2008.

CONCLUSIONS OF LAW

1. Notice of this hearing was given as specified in the provisions of all regulatory codes.
2. All things have occurred or been accomplished to give the Commission jurisdiction in this matter.

3. Approval of increased net gas-oil ratio authority with a casinghead gas limit of 250 MCFD for the Cromer No. 10 in the Rodessa (Travis Peak) Field and cancellation of overproduction will prevent waste and will not harm correlative rights.

RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends that the Cromer No. 10 in the Rodessa (Travis Peak) Field be authorized to produce under net gas-oil ratio authority with a daily gas limit of 250 MCFD and that any accumulated overproduction for this lease be canceled.

Respectfully submitted,

Andres J. Trevino, P.E.
Technical Examiner