

**THE APPLICATION OF XTO ENERGY INC. TO CONSIDER INCREASED NET GAS-OIL RATIO AUTHORITY FOR THE HEAD NO. 1 IN THE LONG PRAIRIE (HACKBERRY, 7800) FIELD, ORANGE COUNTY, TEXAS**

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**Heard by:** Andres J. Trevino, P.E. on February 4, 2009

**Appearances:**

Bill Spencer  
Jim Clark

**Representing:**

XTO Energy Inc.

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

XTO Energy requests authority to produce its Head No. 1 under increased net gas-oil ratio authority with a daily gas limit of 1,125 MCFD. XTO Energy Inc. 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 1,125 MCFD and cancellation of overproduction.

**DISCUSSION OF EVIDENCE**

The Long Prairie (Hackberry, 7800) Field is a historic field discovered at a depth of 8,130 feet. The allowable in the field is 133 BOPD, with a casinghead gas limit of 266 MCFD per well.

The Head No. 1 was completed in August 2007 with perforations between 8,122 feet and 8,130 feet. On initial test, the well produced at a rate of 158.5 BOPD, 439 MCF of gas and 137 BWPD flowing through a 12/64" choke with 1,518 psi flowing tubing pressure.

It is believed the main energy source for the well's flow is a strong water drive. The presence of the water drive is evident in the steady water production since initial completion and the small decline in flowing tubing pressure. The flowing tubing pressure has increased from 1,518 psi to a steady 1,850 psi prior to testing. The well was choked back from 12/64" to 5/64" in an attempt to produce the well at the casinghead gas allowable of 266 MCF of gas per day on January 25, 2009. At the reduced rate, the well began to load up. Oil production declined from 55 BOPD to 17 BOPD, gas decreased from 1,122 MCFPD to 101 MCFPD. Flowing tubing pressure decreased from a steady 1,850 psi to 1,050 psi. The well

began to flow in slugs and would have died if left at the reduced flowing rate.

Restricting gas production from the well is not necessary to prevent waste as production data indicates the field has a strong water drive and derives a minimal amount of energy from solution gas expansion. The Head No.1 is the only well in the field.

The well has accumulated 91 BO and 81,754 MCF of gas in overproduction as of January 31, 2009. XTO Energy requests that all 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 Long Prairie (Hackberry, 7800) Field is 133 BOPD and 266 MCFD. There are no other producing wells in the field.
3. The Head No. 1 was completed in August 2007 and produced at a rate of 158.5 BOPD, 439 MCF of gas and 137 BWPD flowing through a 12/64" choke with 1,518 psi flowing tubing pressure.
4. The Head No. 1 has a strong water drive and derives minimal amount of energy from solution gas expansion.
5. The well was choked back to a 5/64" orifice where the well began to flow in slugs and began to load up and die.
6. The Head No.1 is the only well in the field.
7. Restricting gas production from the well is not necessary to prevent waste.
8. The well has accumulated 91 BO and 81,754 MCF of gas in overproduction as of January 31, 2009.

**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 1,125 MCFD for the Head No. 1 in the Long Prairie (Hackberry, 7800) 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 Head No. 1 in the Long Prairie (Hackberry, 7800) Field be authorized to produce under net gas-oil ratio authority with a daily gas limit of 1,125 MCFD and that all accumulated overproduction for this lease be canceled.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Examiner