

**THE APPLICATION OF MANTI OPERATING COMPANY TO CONSIDER NEW FIELD DESIGNATION AND FIELD RULES FOR THE (PROPOSED) TARPON SW FIELD, GALVESTON COUNTY, TEXAS**

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**Heard by:** Andres J. Trevino, P.E. on July 2, 2007

**Appearances:**

Mimi Winetroub

**Representing:**

Manti Operating Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Manti Operating Company requests that a new field designation called the Tarpon SW Field be approved for its State Tract 341 Well No. 1. Manti also requests that the following rules be adopted for the Tarpon SW Field:

1. Designation of the field as the correlative interval from 6,500 feet to 7,610 feet as shown on the log of the State Tract 341 No. 1;
2. Allocation based on 95% deliverability and 5% per well.

There were no protests to this application and the examiner recommends approval of the new field designation and field rules.

**DISCUSSION OF EVIDENCE**

Manti Operating Company originally completed its State Tract 341 No. 1 in April 2005 then recompleted on October 2005. The well has three sets of perforations in the **Lower Frio** between 6,604 feet and 7,610 feet (MD). On initial test, the well produced at a rate of **37,387 MCFD, 000 BCPD and 000 BWPD**. Flowing casing pressure is 0,000 psi with no indications of decline at this point in time.

The new field designation should be approved for the State Tract 341 No. 1. There is no production within a 2 ½ mile radius of the No. 1 well, all wells in the area are dry holes. Additionally, the State Tract 341 No. 1 encountered virgin pressure of 2,900 psig.

Manti requests that the entire correlative interval between 6,500 feet to 7,610 feet (MD) in the State Tract 341 No. 1 be considered a single field. This interval includes the

Rob M and Amp “B” sands within the **Lower Frio**. The Rob M sands produced intermittently for 17 days before the perforations were closed off with a sliding sleeve. Separate completions in the intervals would not be commercial.

State statutes require that a two factor allocation formula be adopted for the proposed field designation to be considered a single field. Manti requests that allocation be based on 95% deliverability and 5% per well for the field.

**FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice at least ten days prior to the date of hearing.
2. Manti Operating Company completed its State Tract 341 Well No. 1 in October 2005 with three sets of perforations in the **Lower Frio** 6,604 feet and 7,610 feet (MD). On initial test, the well produced at a rate of 37,387 MCFD, 000 BCPD.
3. The State Tract 341 No.1 is entitled to a new field designation because there is no production within a 2½ mile radius of the subject well.
4. The entire correlative interval from 6,500 feet to 7,610 feet (MD) as shown on the Baker Hughes High Definition Induction Log of the State Tract 341 Well No. 1 should be designated as the Tarpon SW Field.
5. Allocation based on 95% deliverability and 5% per well will protect correlative rights and meets statutory requirements for combining multiple productive zones into a single field.

**CONCLUSIONS OF LAW**

1. Proper notice of this hearing was issued.
2. All things have been accomplished or have occurred to give the Commission jurisdiction in this matter.
3. Approval of the requested new field designation and adoption of field rules will prevent waste, protect correlative rights and promote the orderly development of the field.

**RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends approval of the new field designation and adoption of field rules for the Tarpon SW Field.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Examiner