THE APPLICATION OF CONTINENTAL TREND RESOURCES, INC. TO CONSIDER AN MER DETERMINATION FOR THE BERNSEN WELL NO.1, CLARA DRISCOLL, SOUTH (6500) FIELD, NUECES COUNTY, TEXAS

Heard by: Donna K. Chandler on April 25, 2001

Appearances: Representing:

Flip Whitworth Continental Trend Resources

Ken Kerrihard

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Continental Trend Resources requests approval of an MER of 200 BOPD for its Bernsen No. 1 in the Clara Driscoll, South (6500) Field. Continental also requests that all overproduction for the subject well be canceled.

The application is unprotested and the examiner recommends approval of the requested MER and cancellation of overproduction.

DISCUSSION OF EVIDENCE

The Clara Driscoll, South (6500) Field first produced in the 1950's. The top allowable in the field is 111 BOPD and 222 MCFD. The Bernsen No. 1 is the only producing well in the field at the current time.

Continental Trend Resources, Inc. completed the Bernsen No. 1 in February 2001. On initial test, the well produced 334 BOPD, 473 MCFD and 0 BWPD. The well is a natural completion and continues to flow water free.

During March and April 2001, the well was tested at various rates to determine sensitivity. The results are summarized as follows:

<u>choke</u>	avg. oil	rate	avg.gas	s rate	gas-oil ratio
12/64" 124 B	OPD	72 MC	FD	580 c	cuft/bbl
14/64" 183 B	OPD	104 M	CFD	567 c	cuft/bbl
16/64" 198 B	OPD	115 M	CFD	580 c	cuft/bbl
10/64" 136 B	OPD	76 MC	FD	559 c	cuft/bbl

The daily test information indicates that the producing gas-oil ratio is not affected by producing rate.

The subject lease is overproduced approximately 3,000 BO as of April 1, 2001. It is requested 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 Clara Driscoll, South (6500) Field has a top allowable of 111 BOPD.
- 3. The Bernsen No. 1 is the only producing well in the subject field.
- 4. The Bernsen No. 1 was completed in February 2001.
- 5. The subject well is not rate sensitive.
 - a. When production was varied between 124 and 198 BOPD, the gas-oil ratio remained at 560-580 cubic feet per barrel.
 - b. The well produces water free.
- 7. The subject lease is overproduced approximately 3,000 BO as of April 1, 2001.

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 an MER of 200 BOPD for the Bernsen No. 1 and cancellation of overproduction for the Bernsen lease in the Clara Driscoll, South (6500) Field will not cause waste and will not harm correlative rights.

RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends approval of an MER of 200 BOPD and cancellation of overproduction for the Bernsen Lease No. 1 in the Clara Driscoll, South (6500) Field.

Respectfully submitted,

Donna K. Chandler Technical Examiner