

**THE APPLICATION OF HILCORP ENERGY COMPANY TO CONSIDER MER AUTHORITY FOR THE WILLIAM C. COCKE NO. 1, SEVEN SISTERS, E. (LOMA NOVIA) FIELD, DUVAL COUNTY, TEXAS**

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**Heard by:** Donna K. Chandler on May 24, 2001

**Appearances:**

Dale Miller

**Representing:**

Hilcorp Energy Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Hilcorp Energy Company requests approval of an MER of 250 BOPD for its William C. Cocke No. 1 in the Seven Sisters, E. (Loma Novia) Field. Hilcorp also requests that all overproduction for the subject well be canceled.

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

**DISCUSSION OF EVIDENCE**

The Seven Sisters, E. (Loma Novia) Field was discovered in October 2000 at a depth of approximately 2,800 feet. The top allowable in the field is 100 BOPD and 200 MCFD. The William C. Cocke No. 1 was the discovery well for the field and no other wells have been completed in the field.

On initial test, the Cocke No. 1 produced 18 BOPD and 14 MCFD in a 4 hour test, equivalent to a rate of 108 BOPD and 84 MCFD. Through February 2001, the well has produced approximately 13,500 BO and 5,200 MCFD of gas. The well is a natural completion and continues to flow at rates in excess of the allowable.

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

<u>choke</u>	<u>avg. oil rate</u>	<u>avg. gas rate</u>	<u>gas-oil ratio</u>
12/64" 163 BOPD	91 MCFD		557 cuft/bbl
13/64" 194 BOPD	105 MCFD		541 cuft/bbl
14/64" 204 BOPD	115 MCFD		563 cuft/bbl
15/64" 224 BOPD	120 MCFD		532 cuft/bbl
10/64" 100 BOPD	55 MCFD		542 cuft/bbl

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

The subject lease is overproduced approximately 2,500 BO as of May 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 Seven Sisters, E. (Loma Novia) Field has a top allowable of 100 BOPD.
3. The William C. Cocke No. 1 is the discovery well for the field in October 2000. No other wells have been completed in the field.
4. The subject well is not rate sensitive.
  - a. When production was varied between 100 and 224 BOPD, the gas-oil ratio remained at 530-560 cubic feet per barrel.
  - b. The well produces water free.
5. The subject lease is overproduced approximately 2,500 BO as of May 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 250 BOPD for the William C. Cocke No. 1 and cancellation

of overproduction for the William C. Cocke lease in the Seven Sisters, E. (Loma Novia) 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 250 BOPD and cancellation of overproduction for the William C. Cocke No. 1 in the Seven Sisters, E. (Loma Novia) Field.

Respectfully submitted,

Donna K. Chandler  
Technical Examiner