

THE APPLICATION OF RANGE PRODUCTION COMPANY TO CONSIDER AN MER ALLOWABLE FOR THE GLASS "G" WELL NO. 1414 IN THE CONGER (LEONARD) FIELD, STIRLING COUNTY, TEXAS

Heard by: Andres J. Trevino, P.E. on May 24, 2007

Appearances:

John F. Miller

Representing:

Range Production Company

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Range Production Company requests that an MER allowable of 300 BOPD be established for its Glass "G" Well No. 1414 in the Conger (Leonard) Field. Range also requests that all accumulated overproduction be cancelled for this lease.

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

DISCUSSION OF EVIDENCE

The Conger (Leonard) Field was discovered in 1990 and has a top allowable of 102 BOPD. There are 10 producing oil wells in the field and three operators. The field is governed by Statewide rules.

The Glass "G" No. 1414 was recompleted in December 2006 into the Leonard formation from the Canyon formation. On initial test in December 2006, the well produced at a rate of 426 BOPD, 94 MCFD and 32 BWPD from perforations between 5,175 and 5,339 feet. The well produces with a rod pump. Over time, the oil production has decreased somewhat, with a maximum rate of 304 BOPD in April 2007. The pump rate was decreased from 13.2 SPM to 6.3 SPM. The average oil rate decreased from 290 BOPD to 127 BOPD. The fluid level inside the well increased by 1,500 feet when the production rate was decreased. The producing gas-oil ratio is very low and remained nearly constant at a rate between 241-263 cubic feet per barrel, regardless of rate.

The well is overproduced an estimated 16,577 BO as of April 1, 2007. Range requests that this overage be cancelled.

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 Conger (Leonard) Field was discovered in 1990 and has a top allowable of 102 BOPD.
3. The Glass "G" Well No. 1414 was recompleted in December 2006 into the Leonard formation from the Canyon formation and produced at a rate of 426 BOPD, 94 MCFD and 32 BWPD on initial test.
4. The well produces with a rod pump.
 - a. The maximum oil rate of 304 BOPD was in April 2007.
 - b. The pump rate was decreased from 13.2 SPM to 6.3 SPM.
 - b. The producing gas-oil ratio is very low, 241-263 cubic feet per barrel, regardless of rate.
 - c. The fluid level inside the well increased by 1,500 feet when the production rate was decreased.
5. The well is overproduced approximately 16,577 BO as of April 1, 2007. Cancellation of this overage will not harm correlative rights.

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 300 BOPD for the Glass "G" Well No. 1414 and cancellation of overproduction for the well in the Conger (Leonard) 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 300 BOPD and cancellation of overproduction for the Glass "G" Well No. 1414 in the Conger (Leonard) Field in Sterling County, Texas.

Respectfully submitted,

Andres J. Trevino, P.E.
Technical Examiner