# THE APPLICATION OF D. H. BRAMAN, JR. TO CONSIDER FIELD CONSOLIDATION AND FIELD RULES FOR THE PROPOSED BRAMAN (YEGUA) FIELD, JIM WELLS COUNTY, TEXAS

Heard by: Donna K. Chandler, Technical Hearings Examiner

Hearing Date: January 10, 2001

#### Appearances:

### **Representing:**

John R. Hays, Jr. Christopher Franklin D. H. Braman, Jr.

# **EXAMINER'S REPORT AND RECOMMENDATION**

### **STATEMENT OF THE CASE**

D. H. Braman, Jr. requests that the following four Braman fields be consolidated into a new field called the Braman (Yegua) Field.

Braman (Yegua 2) Field Braman (Yegua 5B) Field Braman (Yegua 6) Field Braman (8150) Field

Braman also requests that the following rules be adopted for the Braman (Yegua) Field:

- 1. Designation of the field as the correlative interval between 6,870 feet and 8,180 feet as shown on the log of the Gafford Well No. 2;
- 2. 330'-660' well spacing;
- 3. 20 acre density plus 10% tolerance and a maximum diagonal of 1,500 feet;
- 4. Allocation based on 95% deliverability and 5% per well.

This application was unprotested and the examiner recommends approval of the field consolidation and field rules.

#### **DISCUSSION OF THE EVIDENCE**

The Braman (Yegua 2) Field was discovered in 1985 at a depth of 8,174 feet. Five wells have produced 523 MMCF of gas from this field. Two wells are carried on the current proration schedule in this field, both operated by Hunter Petroleum. One of the wells is inactive, the other has a deliverability of 20 MCFD.

The Braman (Yegua 5B) Field was discovered in 1985 at a depth of 7,558 feet. Three wells have produced 425 MMCF of gas from this field. Two inactive wells are carried on the current proration schedule, one operated by Hunter Petroleum, the other operated by Ceniza Petroleum.

The Braman (Yegua 6) Field was discovered in 1988 at a depth of 7,388 feet. Only two wells have produced from this field, with cumulative production of 223 MMCF of gas. There are no wells on the current proration schedule.

The Braman (8150) Field was discovered in 1981. Cumulative production from this field is 8,200 MMCF of gas from 15 wells. There are currently five wells in the field, two operated by Braman and three operated by Hunter Petroleum.

The proposed consolidated interval includes the four designated fields as well as numerous thin, lenticular Wildcat intervals. The entire interval is Yegua age and the separate intervals have similar rock and fluid properties. Average porosity of four designated reservoirs is 20.7% and average water saturation is 48%. Any crossflow which might occur into lower pressure zones will be recovered as pressures equalize. No reservoir damage will result from crossflow.

If the consolidation is approved, additional gas will be recovered which would otherwise not be economically produced. Several of the Wildcat intervals have been tested in existing wellbores, with varying results. Braman expects most individual zones to produce only 25 MCFD, with ultimate recoveries of only 17-20 MMCF. Separate completions for these limited reserves is not possible due to economics.

All four of the designated fields currently operates under Statewide Rules. Braman proposes a 20 acre density rule for the consolidated field. Drainage areas were calculated for the Foster No. 6 in the Yegua 5B and the Foster No. 4 in the Yegua 2. Drainage areas were 5 acres and 49 acres, respectively. Braman feels that development on 20 acres will maximize recoveries from the consolidated interval. The requested well spacing is standard for 20 acre density.

Because the consolidated field will have multiple, lenticular accumulations of hydrocarbons, a two factor allocation formula is required. Braman proposes that allocation in the consolidated field be based on 95% deliverability and 5% per well. This allocation formula will reflect insignificant change from the current allocation based on 100% deliverability in the fields based on Statewide Rules.

# FINDINGS OF FACT

- 1. Notice of this hearing was given to all persons entitled to notice and there were no protests.
- 2. The Braman (Yegua 2) Field was discovered in 1985 at a depth of 8,174 feet. Cumulative production from this field is 523 MMCF of gas and there are two wells carried on the current proration schedule.
- 3. The Braman (Yegua 5B) Field was discovered in 1985 at a depth of 7,558 feet. Cumulative production from this field is 425 MMCF of gas and there are two inactive wells carried on the current proration schedule.
- 4. The Braman (Yegua 6) Field was discovered in 1988 at a depth of 7,388 feet. Cumulative production from this field is 223 MMCF of gas and there are no wells on the current proration schedule.
- 5. The Braman (8150) Field was discovered in 1981. Cumulative production from this field is 8,200 MMCF of gas and there are currently five wells in the field.
- 6. The proposed consolidated interval between 6,870 feet and 8,180 feet as shown on the log of the Gafford Well No. 2 includes the four designated fields as well as numerous thin, lenticular Wildcat intervals.
- 7. The proposed consolidation will not cause waste and will maximize ultimate recovery from the interval.
  - a. The entire interval is Yegua age and the separate intervals have similar rock and fluid properties.
  - b. Any crossflow which might occur into lower pressure zones will be recovered as pressures equalize. No reservoir damage will result from crossflow.
  - c. If the consolidation is approved, additional gas will be recovered which would otherwise not be economically produced from some of the marginal Wildcat intervals which have been tested.
- 8. A density rule providing for 20 acre development is appropriate for the consolidated field.
  - a. All four of the designated fields currently operates under Statewide Rules.
  - b. Calculated drainage areas for wells in the field range from 5 acres and 49

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acres.

- 9. The requested well spacing is standard for 20 acre density.
- 10. Allocation based on 95% deliverability and 5% per well in the Braman (Yegua) Field meets the statutory requirements because the consolidated field has multiple, lenticular accumulations of hydrocarbons.

# **CONCLUSIONS OF LAW**

- 1. Proper notice was given as required by all applicable codes and regulatory statutes.
- 2. All things have occurred and been accomplished to give the Commission jurisdiction to decide this matter.
- 3. The proposed field consolidation and field rules will prevent waste and protect correlative rights.

# **EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends that the four fields be consolidated into the Braman (Yegua) Field and that the rules proposed by Braman be adopted for the field.

Respectfully submitted,

Donna K. Chandler Technical Hearings Examiner