

THE APPLICATION OF XTO ENERGY, INC. TO CONSOLIDATE THE FARRAR, N. (TRAVIS PEAK) FIELD INTO THE FARRAR (TRAVIS PEAK) FIELD, LIMESTONE, FREESTONE AND LEON COUNTIES, TEXAS

Heard by: Donna K. Chandler on April 20, 2007

Appearances:

Rick Johnston

Representing:

XTO Energy, Inc.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

XTO Energy, Inc. requests that the Farrar, N. (Travis Peak) Field be consolidated into the Farrar (Travis Peak) Field. XTO requests no changes to the field rules for the Farrar (Travis Peak) Field.

This application was unopposed and the examiner recommends approval of the requested field consolidation.

DISCUSSION OF THE EVIDENCE

The Farrar (Travis Peak) Field was discovered in 1963. There are more than 100 wells carried in the field, all operated by Valence Operating Company and XTO. The designated interval for the field is from 8,500 feet to 10,450 feet as shown on the log of the Salar No. 1. The field rules provide for 40 acre/optional 20 acre density and 467'-600' well spacing. The field is AOF status.

The Farrar, N. (Travis Peak) Field was discovered in 1986. There are 22 wells carried in the field, also operated by Valence and XTO. The field operates under Statewide Rules.

The discovery wells for the two fields are about five miles apart. Over the years, the fields have "grown together" and field designations overlap. Wells in the two fields produce from the same correlative interval.

FINDINGS OF FACT

1. Notice of this hearing was given to all persons entitled to notice and there were no protests.
2. The Farrar (Travis Peak) Field was discovered in 1963. The field rules for the field provide for 467'-660' well spacing and 40 acre/optional 20 acre density.
3. The designated interval for the Farrar (Travis Peak) Field is from 8,500 feet to 10,450 feet as shown on the log of the Saler No. 1.
4. The Farrar, N. (Travis Peak) Field was discovered in 1986. The field operates under Statewide Rules.
5. The discovery wells for the two fields are about five miles apart and over the years, the fields have "grown together". Wells in the two fields produce from the same correlative interval.

CONCLUSIONS OF LAW

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.
3. Consolidation of the fields as proposed by XTO Energy, Inc. is necessary to prevent waste and protect correlative rights.

EXAMINER'S RECOMMENDATION

Based on the above findings and conclusions, the examiner recommends that the Farrar, N. (Travis Peak) Field be consolidated into the Farrar (Travis Peak) Field and that no changes be made to the field rules for the Farrar (Travis Peak) Field.

Respectfully submitted,

Donna K. Chandler
Technical Hearings Examiner