THE APPLICATION OF XTO ENERGY INC. TO CONSIDER STANDING, AND IF STANDING IS GRANTED, TO CONSOLIDATE VARIOUS BETHANY FIELDS INTO THE BETHANY (TRAVIS PEAK CONS.) FIELD, PANOLA AND HARRISON COUNTIES, TEXAS

**Heard by:** Donna K. Chandler on January 22, 2008

Appearances: Representing:

Rick Johnston XTO Energy, Inc.

# EXAMINER'S REPORT AND RECOMMENDATION STATEMENT OF THE CASE

XTO Energy, Inc. requests that the 15 fields listed in Attachment A be consolidated into the Bethany (Travis Peak Cons.) Field. XTO also requests that the designated interval for the Bethany (Travis Peak Cons.) Field be expanded as set out below:

1. Designated interval from 5,798 feet to 7,858 feet as shown on the log of the G. W. Brumble G.U. No. 1 Well No. 3.

This application was unprotested and the examiner recommends approval of XTO's request for field consolidation and amended field designation.

## **DISCUSSION OF THE EVIDENCE**

The Bethany (Travis Peak Cons.) Field was formed in 1998 with the consolidation of several Travis Peak fields. In September 2007, the field interval was expanded and several more fields were consolidated into the field. The field operates under Statewide spacing and density rules with allocation based on 95% deliverability and 5% per well, with AOF status. The current designated interval for the field is from 6,360 feet to 7,858 feet as shown on the log of the Brumble GU No. 1 Well No. 3.

The fields now proposed for consolidation are geographically intermingled with wells currently carried in the Bethany (Travis Peak Cons.) Field. Seven of the current fields proposed for consolidation are within the current interval for the Bethany (Travis Peak

Cons.) Field. Wells in the remaining eight fields are perforated generally in a slightly higher section of the Travis Peak. XTO therefore requests that the top of the field interval for the Bethany (Travis Peak Cons.) Field be expanded.

The subject 15 fields include associated and non-associated fields. There are 65 gas wells and 13 oil wells. Several of the fields are inactive and several have only one well. The Bethany (Travis Peak (6100) has the most wells, with 28 gas wells. Most of the 15 fields operate under Statewide Rules. The fields proposed for consolidation have cumulatively produced over 100 BCF of gas. Some of the fields have been producing more than 40 years.

The various sands within the Travis Peak are lenticular in nature and not present in all wells. When wells are completed, there is no way to predict whether the well will be classified as oil or gas. There is no evidence of a gas cap associated with any of the individual sands. XTO therefore requests that the consolidated field be classified as associated prorated, with continued AOF status. The Bethany (Travis Peak A Sand) Field and is predominantly oi, with 9 producing oil wells. This field has fieldwide net gas-oil ratio authority with a casinghead gas limit of 1,500 MCFD. XTO requests that this be carried over to the consolidated field.

## FINDINGS OF FACT

- 1. Notice of this hearing was sent to all persons legally entitled to notice at least ten days prior to the date of hearing.
- 2. The Bethany (Travis Peak Cons.) Field was formed in 1998 with the consolidation of several Travis Peak fields. Additional fields were added in September 2007.
- 3. The Bethany (Travis Peak Cons.) Field operates under Statewide spacing and density rules with allocation based on 95% deliverability and 5% per well, with AOF status. The field is currently classified as non-associated.
- 4. The current designated interval for the Bethany (Travis Peak Cons.) Field is from 6,360 feet to 7,858 feet as shown on the log of the Brumble GU No. 1 Well No. 3. The proposed designated interval is from 5,798 feet to 7,858 as shown on the log of the Brumble GU No. 1 Well No. 3.
- 5. The 15 fields now proposed for consolidation are geographically intermingled with wells currently carried in the Bethany (Travis Peak Cons.) Field. Each of the fields produces from various Travis Peak sands.
- 6. There are 65 gas wells and 13 oil wells in the subject 15 fields. Several of the fields are inactive and several have only one well.
- 7. The Bethany (Travis Peak (6100) has the most wells, with 28 gas wells. The

Bethany (Travis Peak A Sand) Field is predominantly oil, with 9 producing oil wells.

- 8. The 15 subject fields have cumulatively produced over 100 BCF of gas.
- 9. The various sands within the proposed correlative interval are lenticular in nature and not present in all wells. When wells are completed, there is no way to predict whether the well will be classified as oil or gas.
- 10. The Bethany (Travis Peak A Sand) Field has fieldwide net gas-oil ratio authority with a casinghead gas limit of 1,500 MCFD.

#### **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 15 subject fields shown in Attachment A be consolidated into the Bethany (Travis Peak Cons.) Field and that the designated interval for the field be expanded.

Respectfully submitted,

Donna K. Chandler Technical Hearings Examiner

## Attachment A

FIELD NAME	FIELD NUMBER
Bethany (Transition) Bethany (Travis Peak -Trosper) Bethany (Travis Peak 6100) Bethany (Travis Peak 6200) (oil) Bethany (Travis Peak 6200) (gas) Bethany (McCain) Bethany (Travis Peak 6300, Gas) Bethany (Travis Peak 6350) Bethany (Travis Peak 6250) Bethany (Travis Peak A Sand) Bethany (Travis Peak 6560) Bethany (Travis Peak 6583) Bethany (Travis Peak 6690)	07527 651 07527 700 07527 770 07527 772 07527 775 07527 780 07527 285 07527 815 07527 815 07527 790 07527 790 07527 713 07527 950 07527 955 07527 963 07527 744
Bethany (Travis Peak Lower)	0/02//144