OIL AND GAS DOCKET NO. 8A-0225925

THE APPLICATION OF TRINITY OPERATING & PRODUCING INC. FOR CONSOLIDATION OF THE SNOWDEN (SPRABERRY) FIELD INTO THE FELKEN (SPRABERRY) FIELD, DAWSON COUNTY, TEXAS

Heard by: Margaret Allen, Technical Hearings Examiner

Procedural history

Application received: August 25, 2000 Hearing held: September 18, 2000

Appearances

Representing

Ed Innerarity Trinity Operating & Producing Inc.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Trinity Operating is seeking to have the Snowden (Spraberry) Field consolidated into the Felken (Spraberry) Field.

DISCUSSION OF THE EVIDENCE

Snowden Oil Company discovered the Snowden (Spraberry) Field in 1951 with the drilling of the Dean Unit Well No. 1 in Section 30 of Block 1 in the J. Pointevent Survey. The discovery well for the Felken (Spraberry) Field was drilled by Amerada in 1955 on the Kendrick A Lease in Section 9 of the same block. The discovery wells were over four miles apart but the fields have grown together as more wells have been drilled.

There are now 49 wells in the Felken (Spraberry) Field and five in the Snowden (Spraberry) Field. Field rules for the Felken (Spraberry) Field provide for 40 acre proration units and 330-933 foot well spacing, while rules for the Snowden (Spraberry) Field provide for 80 acre proration units with 660-1320 foot well spacing. The smaller proration units in the Felken field have resulted in greater development in that field and the field has two ongoing lease water floods.

The applicant is hoping to operate its own waterfloods and is the only operator with wells

in both fields. It will be much easier to conduct a waterflood if all of the affected wells are in the same field and operate under the same rules. The other operator in the Snowden (Spraberry) Field, Permian Resources, provided a waiver of objection to the field consolidation. There are six operators listed in the Felken (Spraberry) Field and waivers were provided from the active operators: Byrd Operating, Concho Resources, and Fasken Land & Minerals.

A cross section shows the Spraberry Formation extends across the boundary between the two fields. While the porous Spraberry sands vary from 6 to 18 feet thick along the cross section, the porosity and permeability of the Spraberry rock are similar. Water analyses and oil gravities of the fluids produced in both fields are also similar. There is no reason to conclude that the Spraberry sand reservoir in the Snowden (Spraberry) Field is not continuous with the Spraberry reservoir in the Felken (Spraberry) Field.

FINDINGS OF FACT

- 1. On September 1, 2000, notice of this hearing was given to all operators in the Snowden (Spraberry) and Felken (Spraberry) Fields.
- 2. The discovery well for the Snowden (Spraberry) Field was drilled in 1951 and the discovery well for the Felken (Spraberry) Field was drilled four miles away in 1955.
- 3. The two fields have grown together and there are now 49 wells in the Snowden (Spraberry) Field and 5 in the Felken (Spraberry) Field.
- 4. There is no separation in the Spraberry Formation between wells in the Snowden and Felken fields.
 - a. A cross section shows the Spraberry to be continuous across the boundary between the two fields.
 - b. The porosity and permeability in the Spraberry producing rocks of both fields are similar.
 - c. The oil gravity and water analyses of the fluids produced from both fields are similar.
- 5. There are lease waterflood projects in the Felken (Spraberry) Field and additional waterflood operations will be facilitated by having a single set of field rules.

CONCLUSIONS OF LAW

- 1. Proper notice was given as required by statute.
- 2. All things have been done or occurred to give the Railroad Commission jurisdiction to

resolve this matter.

3. Wells in the Snowden (Spraberry) Field produce from the same reservoir as wells in the Felken (Spraberry) Field and should be prorated in the same field.

EXAMINER'S RECOMMENDATION

Based on the above findings and conclusions, the examiner recommends that the Snowden (Spraberry) Field be consolidated into the Felken (Spraberry) Field and the resulting field be governed by the current field rules in the Felken (Spraberry) Field.

Respectfully submitted,

Margaret Allen Technical Hearings Examiner

Date of Commission Action: October 10, 2000

EXHIBITS

- 1. Map of discovery wells
- 2. Map of current development
- 3. Water analyses
- 4. Oil gravities
- 5. Cross section
- 6. Waivers