# THE APPLICATION OF PIONEER NATURAL RESOURCES USA, INC. TO AMEND THE FIELD RULES FOR THE PAWNEE (EDWARDS) FIELD, BEE COUNTY, TEXAS

**Heard by:** Donna K. Chandler on January 10, 2001

Appearances: Representing:

George Neale Kevin Schmidt Charles Sharp Pioneer Natural Resources

# **EXAMINER'S REPORT AND RECOMMENDATION**

## STATEMENT OF THE CASE

Field rules for the Pawnee (Edwards) Field were adopted effective August 1, 1977 in Docket No. 2-67,512. These rules were amended effective July 17, 1989 by Final Order No. 2-93,214. The rules in effect for the field are summarized as follows:

- 1. Designation of a correlative interval for the field;
- 2. Well spacing a minimum of 660 feet from lease lines and 1,867 feet between wells;
- 3. 160 acre gas units plus 10% tolerance and a maximum diagonal of 4,500 feet;
- 4. Allocation based on 100% acreage.

Pioneer requests that the field rules be amended as follows:

- 1. No change;
- 2. Well spacing a minimum of 330 feet from lease lines and 660 feet between wells;
- 3. 160 acre units with optional 20 acre units; maximum diagonal of 2,100 feet for the 20 acre units.
- 4. no change

This application was unprotested and the examiner recommends that the field rules for the field be amended as proposed by Pioneer.

#### **DISCUSSION OF EVIDENCE**

The Pawnee (Edwards) Field was discovered in 1961 at a depth of approximately 13,700 feet. There are currently 24 producing wells in the field, all of which are operated by Pioneer Natural Resources USA. Most of the active producing wells are horizontal wells and Pioneer plans to drill seven additional horizontal wells this year.

The field is a depletion drive reservoir with cumulative production of approximately 80 BCF of gas. Current deliverabilities range from less than 100 MCFD to over 5,000 MCFD.

Average reservoir porosity is 6% and water saturation is 25%. Net pay ranges from 83 feet to 560 feet. Ultimate recoveries for wells in the field range from 700 MMCF to 27,000 MMCF. Calculated drainage areas range from 7 acres to 162 acres, with an average of 42 acres. Additional wells are necessary to adequately drain the field.

The requested spacing rule of 330 feet from lease lines and 660 feet between wells is standard for 20 acre density. A larger than normal maximum diagonal will accommodate the horizontal drainholes.

## **FINDINGS OF FACT**

- 1. Notice of this hearing was given to all persons entitled to notice at least ten days prior to the date of hearing.
- 2. The Pawnee (Edwards) Field was discovered in 1961 at a depth of approximately 13,700 feet.
- 3. Field rules for the Pawnee (Edwards) Field provide for 160 acre density and 660' 1,867' well spacing.
- 4. Pioneer Natural Resources USA operates all 24 producing wells in the field, many of which are horizontal drainholes.
- 5. Cumulative production from the field is approximately 80 BCF.
- 6. Many wells in the field will drain substantially less than 160 acres.
  - a. Net pay in the field ranges from 83 feet to 560 feet.
  - b. Ultimate recoveries for wells in the field range from 700 MMCF to 27,000 MMCF.
  - c. Calculated drainage areas range from 7 acres to 162 acres, with an average of 42 acres.

- 7. Well spacing a minimum of 330 feet from lease lines and 660 feet between wells is standard for 20 acre density.
- 8. A large than normal diagonal for 20 acre density will accommodate proration units for horizontal drainholes.

## **CONCLUSIONS OF LAW**

- 1. Proper notice of this hearing was issued.
- 2. All things have been accomplished or have occurred to give the Commission jurisdiction in this matter.
- 3. Amending the field rules for the Pawnee (Edwards) Field will prevent waste and protect correlative rights.

## **RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends that the field rules for the Pawnee (Edwards) Field be amended as proposed by Pioneer Natural Resources USA.

Respectfully submitted,

Donna K. Chandler Technical Examiner