

OIL AND GAS DOCKET NO. 04-0250844

THE APPLICATION OF BRIGHAM OIL & GAS, L.P. TO AMEND THE FIELD RULES FOR THE TRIPLE CROWNE (VICKSBURG) FIELD, BROOKS COUNTY, TEXAS

Heard by: Donna K. Chandler, Technical Examiner

Hearing Date: July 5, 2007

Appearances:

Representing:

Dick Schmidt

Brigham Oil & Gas, L.P.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Field rules for the Triple Crowne (Vicksburg) Field were adopted in Oil and Gas Docket No. 04-0230921, effective June 1, 2003 and amended on December 5, 2006 in Docket No. 04-0247539. The rules provide the following:

1. Designation of the field as the correlative interval from 10,330 feet to 13,495 feet, as shown on the log of the Dawson State Well No. 1;
2. Allocation based on 95% deliverability and 5% per well.

Brigham Oil & Gas, L.P. requests that the field rules for the field be amended to provide for 330'-660' well spacing and 40 acre/optional 20 acre density. Brigham also requests that the allocation formula be suspended.

This application was unopposed and the examiner recommends that the designated interval for the Triple Crowne (Vicksburg) Field be amended as requested by Brigham and that the allocation formula be suspended.

DISCUSSION OF EVIDENCE

The Triple Crowne (Vicksburg) Field was discovered in November 2001. The field is a non-associated gas field with seven producing wells. Brigham is currently completing two additional wells. Brigham and Exxon Mobil Corp. are the only operators in the field.

Cumulative production from the field is approximately 10.6 BCF of gas from a total of 13 completions. One well has been plugged and abandoned after producing only 34 MMCF of gas.

Brigham was able to estimate ultimate recoveries and drainage areas for only a few wells in the field. For the other wells, production data is not considered reliable due to collapse casing, well logs are not available, or the completions are too new. For four wells studied, ultimate recoveries range from 1.5 BCF to 4.7 BCF, with net pay ranging from 43 feet to 95 feet. The calculated drainage areas range from 19 acres to 60 acres. On this basis, Brigham requests that development of the field be governed by 40 acre/optional 20 acre density.

Brigham requests 330'-660' well spacing in conjunction with the 40/20 acre density. This spacing is standard for 20 acre units.

Suspension of the allocation formula for the field is appropriated as there is a market for all gas produced from the field. No change in the allocation formula is warranted because acreage is not representative of reserves in this field.

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. Field rules for the Triple Crowne (Vicksburg) Field include a designated interval between 10,330 feet and 13,495 feet as shown on the log of the Dawson State Well No. 1. Allocation is based on 95% deliverability and 5% per well.
3. A density rule providing for 40 acres with optional 20 acres units is appropriate for the field.
 - a. For four wells studied, ultimate recoveries range from 1.5 BCF to 4.7 BCF.
 - b. For the four wells studied, net pay ranges from 43 feet to 95 feet.
 - c. The calculated drainage areas for the four wells studied range from 19 acres to 60 acres.
4. There is a market for all gas produced from the field.

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 Triple Crowne (Vicksburg) Field is necessary to prevent waste, protect correlative rights and promote development of the field.
4. The subject field meets all the criteria established for suspension of the allocation formula under Statewide Rule 31(j).

RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends that the field rules for the Triple Crowne (Vicksburg) Field be amended as requested by Brigham Oil & Gas, L.P. It is also recommended that the allocation formula for the field be suspended.

Respectfully submitted,

Donna K. Chandler
Technical Examiner