

**THE APPLICATION OF MAGNUM PRODUCING, LP TO RESCIND THE FIELD RULES FOR THE MAY (4 SAND, MIDDLE SEG. B) FIELD, KLEBERG COUNTY, TEXAS**

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**Reviewed by:** Richard D. Atkins, P.E.

**Date of Review:** April 1, 2008

**EXAMINER'S REPORT AND RECOMMENDATION**

**DISCUSSION**

Magnum Producing, LP requests that the field rules for the May (4 Sand, Middle Seg. B) Field be rescinded. The rules for the field were adopted by Order No. 4-58,156, effective March 25, 1968. The rules in effect for the field are summarized as follows:

1. Well spacing a minimum of 660 feet from lease lines and 1,320 feet between wells;
2. 640 acre gas units with 10% tolerance;
3. Allocation based on 100% acreage.

There is one well listed on the current proration schedule for the field. This well is the Magnum Childs Gas Unit /Mid 4 Seg. B/ Well #22-L, which is a shut-in multiple completion. There have been no other wells on the schedule during the preceding 24 months.

There was a new completion permit filed on Well #22-L on January 8, 2008 to deepen the "U" string to the 4 Sand and return the well to production. There has been no production from the field since January 1993 and no permits other than the one listed above have been issued for the field for at least 24 months.

**FINDINGS OF FACT**

1. Notice of this application was not required because Magnum is the only operator listed on the current proration schedule for the May (4 Sand, Middle Seg. B) Field.

2. The well listed on the schedule is the Magnum Childs Gas Unit /Mid 4 Seg. B/ Well #22-L, which is a shut-in multiple completion. There have been no other wells on the schedule during the preceding 24 months.
3. The rules for the May (4 Sand, Middle Seg. B) Field were adopted by Order No. 4-58,156, effective March 25, 1968.
4. The rules in effect for the field provide for well spacing a minimum of 660 feet from lease lines and 1,320 feet between wells; 640 acre gas units with 10% tolerance; and allocation based on 100% acreage.
5. There was a new completion permit filed by Magnum on the Childs Gas Unit /Mid 4 Seg. B/ Well #22-L well on January 8, 2008 to deepen the "U" string to the 4 Sand and return the well to production.
6. There has been no production from the field since January 1993 and no drilling permits other than the one listed in Item #5 above have been issued for the field for at least 24 months.

#### **CONCLUSIONS OF LAW**

1. Canceling the field rules for the May (4 Sand, Middle Seg. B) Field will promote development of the field and will not cause waste or harm correlative rights.

#### **RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends that the field rules for the May (4 Sand, Middle Seg. B) Field be canceled and that the field operate under Statewide Rules.

Respectfully submitted,

Richard D. Atkins, P.E.  
Technical Examiner