

OIL AND GAS DOCKET NO. 04-0256300

THE APPLICATION OF MAGNUM PRODUCING, L.P. TO RESCIND THE FIELD RULES FOR THE MAY (MASSIVE 7) FIELD, KLEBERG COUNTY, TEXAS

Reviewed by: Donna K. Chandler on April 1, 2008

EXAMINER'S REPORT AND RECOMMENDATION

DISCUSSION

Magnum Producing, LP requests that the field rules for the May (Massive 7) Field be rescinded. The rules for the May (Massive 7) Field were adopted in Docket No. 4-58,156, effective March 25, 1968.

The rules in effect for the field provide for the following:

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.

The field was discovered in 1967 at a depth of approximately 9,000 feet. There have been no drilling permits issued for the field in the past two years. In addition, there have been no wells in the field for at least two years. The field is classified as non-associated.

FINDINGS OF FACT

1. Notice of this application was not required because there are no operators in the May (Massive 7) Field.
2. The rules for the May (Massive 7) Field were adopted in Docket No. 4-58,156, effective March 25, 1968. The rules provide for 660'-1,320' well spacing and 640 acre density. The field is non-associated.

3. There have been no drilling permits issued for the field in the past two years. In addition, there have been no wells carried in the field for at least two years.

CONCLUSIONS OF LAW

1. Canceling the field rules for the May (Massive 7) 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 (Massive 7) Field be canceled and that the field operate under Statewide Rules.

Respectfully submitted,

Donna K. Chandler
Technical Examiner