

**OIL AND GAS DOCKET NO. 08-0255759**

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**THE APPLICATION OF FOREST OIL CORPORATION TO AMEND THE FIELD RULES FOR THE IATAN, EAST HOWARD FIELD, HOWARD COUNTY, TEXAS**

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**Heard by:** Donna K. Chandler on March 24, 2008

**Appearances:**

Doug Dashiell  
Mimi Winetroub

**Representing:**

Forest Oil Corporation

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Field rules for the Iatan, East Howard Field were originally adopted in 1941. The rules have been amended numerous times over the years and the current rules are summarized below:

1. 330'-660' well spacing;
2. 10 acre base units with option to assign tolerance acreage of not more than 35 additional acres per well;
3. Allocation based on acreage;
4. Injection well spacing rule.

Forest Oil Corporation requests that the field rules be amended to provide for 250'-500' well spacing and 5 acre base units. This application was unopposed and the examiner recommends that the field rules for the Iatan, East Howard Field be amended as proposed by Forest.

**DISCUSSION OF EVIDENCE**

The Iatan, East Howard Field was discovered in 1926 and there are currently more than 1,000 oil wells in the field. Production is from the Glorieta at depths between 2,400 and 2,700 feet. Cumulative production from the field is more than 180 million BO.

There have been numerous waterflooding operations in this field, many of which have been successful. In some areas of the field, the reservoir is more heterogeneous and waterflooding has not been successful. In these areas, wells have been drilled to a greater density, resulting in the recovery of incremental reserves. For example, in January 2008, Forest converted the Bellnolia No. 11 well from an injector to a producer, after having injected 110,000 BW into the well since 2004. It was expected that the well would produce only water for some time. However, the well produced oil immediately, with no higher water cut than other wells in the field.

Forest plans to drill at least five additional wells on the denser development, with more wells depending on the success of the first five wells. Expected additional recovery from the five wells is about 175,000 BO.

Forest is requesting 250'-500' well spacing in conjunction with the optional 5 acre density. This is the standard spacing for 5 acre density.

#### **FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice and no protests were received.
2. The latan, East Howard Field was discovered in 1926 and there are currently more than 1,000 oil wells in the field. Cumulative production from the field is more than 180 million BO.
3. Field rules for the latan, East Howard Field provide for 330'-660' well spacing and 10 acre base units with option to assign tolerance acreage of not more than 35 additional acres per well.
4. Forest is further developing the field on a denser spacing because it has been determined that old waterfloods in the field have not been successfully affecting the entire reservoir.
5. New infill wells have encountered reserves in areas of the field which were thought to have been drained.
6. Spacing a minimum of 250 feet from lease lines and 500 feet between wells will accommodate development on 5 acre density.

**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 latan, East Howard Field is necessary to prevent waste, protect correlative rights and promote development of the field.

**RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends that the Commission amend the field rules for the latan, East Howard Field as proposed by Forest Oil Corporation.

Respectfully submitted,

Donna K. Chandler  
Technical Examiner