

**OIL AND GAS DOCKET NO. 8A-0249914**

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**THE APPLICATION OF HALLIBURTON OPERATING COMPANY TO CONSIDER  
ADOPTION OF TEMPORARY FIELD RULES FOR THE LONG-HALL (TANNEHILL)  
FIELD, KENT COUNTY, TEXAS**

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**Heard by:** Donna K. Chandler on March 5, 2007

**Appearances:**

John Soule  
Randal Brush

**Representing:**

Halliburton Operating Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Halliburton Operating Company requests that temporary field rules be adopted for the Long-Hall (Tannehill) Field. The proposed rules are summarized as follows:

1. Designation of the field as the correlative interval from 4,260 feet to 4,290 feet as shown on the log of the Melvina Well No. 1;
2. 467'- 933' well spacing;
3. 40 acre oil units with tolerance of 10% per well and a maximum diagonal of 2,100 feet;
4. Allocation based on 100% acreage, with immediate implementation of a top allowable of 93 BOPD, based on the 1965 yardstick.

This application was unopposed and the examiner recommends adoption of the temporary field rules proposed by Halliburton, subject to review in 18 months.

**DISCUSSION OF EVIDENCE**

The Long-Hall (Tannehill) Field was discovered in April 2006 upon completion of the Melvina No. 1 by Halliburton Operating Company at a depth of approximately 4,280 feet.

Halliburton has completed four more wells in the field. There are also two other wells carried in the field, the Lou Ann No. 1 and the Nancy No. 1 operated by Sojourner Drilling Corporation. Halliburton believes that the two Sojourner wells are producing from a separate reservoir than its wells. Cholla Petroleum, Inc. has recently permitted a well in the field.

All five of the Halliburton wells are drilled at least 1,000 feet apart and are in pressure communication. The initial pressure in the Melvina No. 1 was about 1,700 psi. The Perla Joe No. 1 had an initial pressure of about 1,500 psi, the Rebecca No. 1 had an initial pressure of about 1,400 psi, the Stefanie Len No. 1 had an initial pressure of about 1,100 psi and the Alicia Lucille No. 1 had an initial pressure of about 750 psi. These five wells were drilled over a time period of less than one year.

It is estimated that original oil in place in the field is 1.9 million barrels. Halliburton plans to waterflood this field in the near future to recover secondary reserves. Halliburton requests that the top allowable in the field be set at 93 BOPD, which is the 1965 yardstick allowable. The field is currently on discovery allowable of 130 BOPD. The reservoir is already below the bubble point pressure. It is requested that the allowable be reduced to delay an increase in the gas saturation in the reservoir.

#### **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 Long-Hall (Tannehill) Field was discovered in April 2006 upon completion of the Melvina No. 1 by Halliburton Operating Company at a depth of approximately 4,280 feet. Halliburton has completed four more wells in the field. Two other wells are carried in the field but do not appear to be in pressure communication with Halliburton's wells.
3. Field rules providing for 40 acre density are appropriate for this field on a temporary basis. All five of the Halliburton wells are drilled at least 1,000 feet apart and are in pressure communication.
4. Well spacing a minimum of 467 feet from lease lines and 933 feet between wells is the spacing normally associated with 40 acre density.
5. The Long-Hall (Tannehill) Field should be designated as the correlative interval from 4,260 feet to 4,290 feet as shown on the log of the Melvina Well No. 1.
6. Allocation based on 100% acreage is a reasonable method of allocation which will protect the correlative rights of mineral owners in 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. Adoption of the proposed field rules for the Long-Hall (Tannehill) Field on a temporary basis 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 adopt the field rules proposed by Halliburton Operating Company for the Long-Hall (Tannehill) Field on a temporary basis, subject to review in 18 months.

Respectfully submitted,

Donna K. Chandler  
Technical Examiner