

THE APPLICATION OF MEWBOURNE OIL COMPANY TO EXPAND THE CORRELATIVE INTERVAL FOR THE HEMPHILL (GRANITE WASH) FIELD, HEMPHILL AND ROBERTS COUNTIES, TEXAS

Heard by: Donna K. Chandler on May 18, 2009

Appearances:

Jim Clark

Flip Whitworth

Representing:

Mewbourne Oil Company

Cimarex Energy Co.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Mewbourne Oil Company requests that the correlative interval for the Hemphill (Granite Wash) Field be expanded to include additional productive sands. Mewbourne proposes that the field interval be defined as the correlative interval between 10,745 feet and 13,290 feet as shown on the log of the Prater No. 1.

This application was unopposed and the examiner recommends approval of Mewbourne's request to expand the correlative interval for the field.

DISCUSSION OF THE EVIDENCE

The Hemphill (Granite Wash) Field was discovered in 1964 and there are approximately 500 wells in the field. The field is currently defined as the correlative interval from 10,565 feet to 12,710 feet as shown on the log of the Hobart Ranch Well No. 8-68. This interval was adopted in Docket No. 10-0253690 on December 18, 2007.

The current designated interval is based on the log of an older well which was not drilled to the top of the Morrow formation. The proposed interval is based on a newer well, the Prater No. 1, and includes Atoka sands and the 13 Fingers Lime. These zones are typically very marginal and not economic for individual completions. The proposed interval includes the entire Granite Wash. Other Granite Wash fields in the area already include the Atoka and 13 Fingers Lime.

The field already has a two factor allocation formula based on 95% deliverability and 5% per well. Mewbourne requests no change in the formula. The allocation formula is currently suspended and Mewbourne requests continuation of the AOF status.

FINDINGS OF FACT

1. Notice of this hearing was given to all operators of wells in the Hemphill (Granite Wash) Field at least ten days prior to the date of hearing.
2. The Hemphill (Granite Wash) Field was discovered in 1964. The interval for the field is from 10,565 feet to 12,710 feet as shown on the log of the Hobart Ranch No. 8-68.
3. The interval from 10,745 feet to 13,290 feet as shown on the log of the Prater No. 1 includes the Atoka sands and the 13 Fingers Lime.
4. Expansion of the correlative interval for the field to include the entire Granite Wash will maximize ultimate recovery from wells in the field.
5. The allocation formula for the field is currently based on 95% deliverability and 5% per well and the field is AOF status.

CONCLUSIONS OF LAW

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.
3. Expansion of the designated interval for the Hemphill (Granite Wash) Field as proposed by Mewbourne Oil Company is necessary to prevent waste and protect correlative rights.

EXAMINER'S RECOMMENDATION

Based on the above findings and conclusions, the examiner recommends that the field interval for the subject field be expanded as proposed by Mewbourne Oil Company.

Respectfully submitted,

Donna K. Chandler
Technical Examiner