



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 08-0301428**

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**THE APPLICATION OF CONOCOPHILLIPS COMPANY TO AMEND FIELD RULES  
AND CANCEL ALL OVERPRODUCTION FOR ALL WELLS IN THE ANDECTOR  
(WICHITA ALBANY) FIELD, ECTOR COUNTY, TEXAS**

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**HEARD BY:** Karl Caldwell – Technical Examiner  
Jennifer Cook – Administrative Law Judge

**HEARING DATE:** November 2, 2016  
**CONFERENCE DATE:** December 6, 2016

**APPEARANCES:** **REPRESENTING:**

**APPLICANT:** ConocoPhillips Company

Jamie Nielson  
Greg Cloud

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

ConocoPhillips Company ("COP") requests to amend the field rules for the Andector (Wichita Albany) Field, Ector County, Texas. COP is requesting to increase the daily oil allowable for the field, to change the allocation formula to a two-factor allocation formula, and to rescind current field rule No. 5 (stacked lateral rules). COP also requests to cancel all overproduction that has accrued in the field. All operators in the subject field were provided notice of the hearing. The application is unopposed and the Examiners recommend approval of the application.

#### DISCUSSION OF THE EVIDENCE

The Andector (Wichita Albany) Field was discovered on April 25, 1986, and the field rules for the Andector (Wichita Albany) Field were last amended in Final Order No. 08-0287997. The current oil allowable for the Andector (Wichita Albany) Field is 198 barrels of oil per day (BOPD), and the current allocation formula is based on 100% acreage.

COP has recently completed several horizontal wells in the Andector (Wichita Albany) Field, all of which have produced above the current field oil allowable. The correlative interval for the Andector (Wichita Albany) Field is approximately 1,000 feet thick, and the reservoir is similar to the productive interval of the nearby Three Bar (Wichita) Field (Field No. 89690750). The November 1, 2016 oil proration schedule for the Three Bar (Wichita) Field shows the oil allowable for this field to be 800 BOPD, with an allocation formula of 75% acres, 25% per well. COP is requesting the same oil allowable and allocation formula that has been adopted for the Three Bar (Wichita) Field, which is a maximum oil allowable of 800 BOPD for a standard proration unit, and an allocation formula of 75% acres, 25% per well. COP is also requesting to cancel all overproduction for the field. All operators in the field were provided notice of the application and no protests were received. Greg Cloud, a professional petroleum engineer testified that the proposed field rule amendments will not cause waste and will not harm correlative rights.

COP is also requesting to rescind field rule No. 5, pertaining to stacked laterals. Rescinding this field rule will reduce administrative burden on both operators in the field and Commission staff by not confusing the current field rule language for the Andector (Wichita Albany) Field and the language in Statewide Rule 86 pertaining to stacked laterals.

#### FINDINGS OF FACT

1. Notice of this hearing was provided to all operators in the field at least ten (10) days prior to the date of the hearing and no protests were received.
2. The Andector (Wichita Albany) Field was discovered on April 25, 1986.
3. Field rules for the Andector (Wichita Albany) Field were last amended in Final Order No. 08-0287997.
4. The current oil allowable for the Andector (Wichita Albany) Field is 198 BOPD.
5. COP has recently completed several horizontal wells in the Andector (Wichita Albany) Field, all of which have produced above the current oil allowable.
6. The correlative interval for the Andector (Wichita Albany) Field is approximately 1,000 feet thick.
7. The Andector (Wichita Albany) Field productive interval is similar to the productive interval for the nearby Three Bar (Wichita) Field.
8. The November 1, 2016 oil proration schedule for the Three Bar (Wichita) Field shows the oil allowable for this field to be 800 BOPD.

9. COP is requesting a maximum oil allowable of 800 BOPD for a standard proration unit, which is the same oil allowable that has been adopted for the Three Bar (Wichita) Field.
10. The current allocation formula for the Andector (Wichita Albany) Field is based on 100% acreage.
11. The November 1, 2016 oil proration schedule for the Three Bar (Wichita) Field shows an allocation formula of 75% acres, 25% per well.
12. COP is requesting the same allocation formula that has been adopted for the Three Bar (Wichita) Field, which is 75% acres, 25% per well.
13. COP is requesting to cancel all overproduction for the field.
  - a. All operators in the field were provided notice of the application and no protests were received.
  - b. Greg Cloud, a professional petroleum engineer testified that the proposed field rule amendments will not cause waste and will not harm correlative rights.
14. COP is requesting to rescind current field rule No. 5 pertaining to stacked laterals.
15. Rescinding the stacked lateral rule (rule No. 5) will reduce administrative burden on both operators in the field and Commission Staff by not confusing the current field rule language for the Andector (Wichita Albany) Field and the language in Statewide Rule 86 pertaining to stacked laterals.
16. COP agreed, that, pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order shall be effective on the date a Master Order relating to this Final Order is signed.

#### **CONCLUSIONS OF LAW**

1. Proper notice was issued as required by all applicable statutes and regulatory codes.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.

3. Amending the field rules for the Andector (Wichita Albany) Field will reduce the administrative burden on both operators in the field and Commission Staff.
4. Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the agreement of the applicant, this Final Order is effective when a Master Order relating to this Final Order is signed on December 6, 2016.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission adopt permanent field rules for the Andector (Wichita Albany) Field, Ector County, Texas.

Respectfully submitted,



Karl Caldwell  
Technical Examiner



Jennifer Cook  
Administrative Law Judge