

OIL AND GAS DOCKET NO. 8A-0304674

APPLICATION OF TRINITY EOR, LLC (869999) FOR RAILROAD COMMISSION
RECOGNITION OF THE RUTH HUDSON (69338), AS AN ENTITY FOR DENSITY IN THE
GEORGE ALLEN (SAN ANDRES) (34438 500) FIELD, GAINES COUNTY, DISTRICT 8A,
TEXAS

REVIEWED BY RICHARD BEHAL

APPLICATION FILE DATE: April 25, 2017

EXAMINER'S REPORT AND RECOMMENDATION

This is the application of Trinity EOR, LLC for Commission recognition as an entity for density for the Ruth Hudson (69338), in the George Allen (San Andres) (34438 500) field, Gaines county, district 8A, Texas. Trinity EOR, LLC as operator of record of the 320-acre unit, proposes a development project that will incorporate drilling 2 new infill wells.

Recognition of the Ruth Hudson as an entity for density will provide flexibility in locating additional wells facilitating the proposed infill drilling and thus the recovery of additional oil. The proposed in-fill drilling project is projected to recover additional oil. With 5 producers on-schedule and 320 acres in the unit, this leaves 120 acres for the remaining 2 infill wells.

At present, the Ruth Hudson lease has 5 producers, 3 injectors, and 0 shut-in wells. The total cumulative production from January 1993 to present is 80,545 bbl oil and 93,346 MCF casinghead gas. Water injection for secondary recovery commenced in July 2008 and CO2 injection for tertiary recovery commenced in December 2012 and continues to date. The application indicates that there are 300,000 bbl oil of remaining recoverable reserves.

The field rules for the George Allen (San Andres) (34438 500) field are as follows:

1. 330'/933' distance to lease line/between well.
2. Proration units of 40 acres per well.

Approval of this application will exempt the operator from compliance with the between-well spacing rule as to wells within the subject lease/unit. The operator will not be required to file a proration unit plat for any well until the unit has been drilled to final development.

Trinity EOR, LLC notified offset operators and unleased mineral interest owners of this application by U.S. mail as of the application receive date April 25, 2017. No protest was received in response to the notice of application.

The examiner recommends granting the entity for density authority for the Ruth Hudson (69338) in the George Allen (San Andres) (34438 500) field, Gaines County, district 8A, Texas, which will be consistent to the current field rules.

FINDINGS OF FACT

1. Trinity EOR, LLC, as operator of record, has applied for recognition as an entity for density for the 320-acre Ruth Hudson (69338) in the George Allen (San Andres) (34438 500) field, Gaines County, Texas to facilitate a proposed development project incorporating the drilling of 2 new infill producers. At present, the unit has 5 producers, 0 shut-in wells, and 3 injectors.
2. Trinity EOR, LLC notified offset operators and unleased mineral interest owners by mail of this application. No protest was received in response to the notice of application.
3. The field rules for the George Allen (San Andres) (34438 500) field are as follows:
 - a. 330'/933' distance to lease line/between well.
 - b. Proration units of 40 acres.
4. Flexibility in the locating of wells will facilitate in-fill drilling and thus the enhanced recovery of additional oil.
 - a. Water injection for secondary recovery commenced in July 2008 and CO2 injection for tertiary recovery commenced in December 2012 and continues to date.
 - b. Cumulative production from January 1993 to present is 80,545 bbl oil and 93,346 MCF casinghead gas.
 - c. Approval of this application would exempt Trinity EOR, LLC from compliance with the between well spacing rule as to wells within the subject lease. Trinity EOR, LLC will not be required to file a proration unit plat for any well until the unit has been drilled to final development.
 - d. Trinity EOR, LLC projects recovery of additional oil due to the proposed in-fill drilling project.
5. The examiner recommends granting the entity for density authority for the Trinity EOR, LLC, Ruth Hudson (69338) in the George Allen (San Andres) (34438 500) Field of Gaines County, District 8A, Texas

CONCLUSIONS OF LAW

1. Notice of this application was provided to all affected persons.
2. Designation of a unit as an entity for density purposes is a matter properly within the Commission's jurisdiction to prevent waste and protect correlative rights.

RECOMMENDATION

Based on the findings of fact and conclusions of law, the examiner recommends approval of the requested entity for density authority for the Ruth Hudson (69338) in the George Allen (San Andres) (34438 500), Gaines County, Texas.

Respectively Submitted,

A handwritten signature in cursive script that reads "Richard Behal".

Richard Behal
Oil and Gas Division,
Technical Permitting

Date of Commission Action: