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*DIRECTOR*

# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 03-0313785**

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**APPLICATION OF HILCORP ENERGY COMPANY (386310) FOR AN INCREASED MER AND THE CANCELLATION OF OVERPRODUCTION FOR THE BROUSSARD TRUST (26066) LEASE, POND GULLEY (FRIO 8110) FIELD, JEFFERSON COUNTY, TEXAS**

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**HEARD BY:** Petar Buva – Technical Examiner  
Clayton J. Hoover – Administrative Law Judge

**HEARING DATE:** November 30, 2018  
**CONFERENCE DATE:** January 23, 2018

**APPEARANCES:** Dale Miller  
**REPRESENTING:** Hilcorp Energy Company

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Hilcorp Energy Company (386310) ("Hilcorp") requests cancellation of overproduction for the Broussard Trust (26066) Lease, Pond Gulley (Frio 8110) Field, Jefferson County, Texas. There are no other operators in the field. The application is unopposed and the Administrative Law Judge and Technical Examiner (collectively, "Examiners"), recommend approval of the application.

#### DISCUSSION OF THE EVIDENCE

Hilcorp completed Well No.1, Broussard Trust Lease, on September 6, 2012. The initial test for the well, dated September 26, 2012, shows the rates were 322 thousand barrels of oil per day ("BOPD"), 129 thousand cubic feet per day ("MCFPD"), and 0 barrels of water per day ("BWPD"). The well is currently producing on a 26/64ths choke.

Since the filing of the hearing request the well has been producing below the top allowable for this field. The production on this well increased over the life of the well and

is now slowly declining. The decreased production has made up for the prior overproduction. Hilcorp is requesting cancellation of the overproduction on the Well No. 1, Broussard Trust Lease.

Hilcorp 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.

#### **FINDINGS OF FACT**

1. Hilcorp is the only operator in the field and no protests were received.
2. Broussard Trust Lease, Well No. 1 was completed on September 6, 2012.
3. Current allowable for Well No. 1 is 322 BOPD, 129 MCFPD, and 0 BWPD.
4. Hillcorp requests cancellation of overproduction.
5. Well No. 1 is currently producing on 26/64ths choke.
6. Hilcorp agreed in writing and on the record, 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. Approval of cancellation of overproduction will bring about the administrative compliance and allow for potential future production from the field.
4. Pursuant to §2001.144(a)(4)(A) of the Texas Government Code and by agreement of the parties in writing or on the record, the Final Order can be final and effective when a Master Order relating to this Final Order is signed.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend a cancellation of overproduction for the Well No. 1, Broussard Trust Lease.

Respectfully submitted,



Petar Buva  
Technical Examiner



Clayton J. Hoover  
Administrative Law Judge