

**THE APPLICATION OF DEVON ENERGY PRODUCTION CO, L.P. TO CONSIDER INCREASED NET GOR FOR ITS M. B. MCKNIGHT WELL NO. 155, SAND HILLS (WOLFCAMP) FIELD, CRANE COUNTY, TEXAS**

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**Heard by:** Donna K. Chandler on October 28, 2009

**Appearances:**

David McGinnis  
Kerry Pollard

**Representing:**

Devon Energy Production Co, L.P.

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Devon Energy Production Co, L.P. requests that all overproduction for its M.B. McKnight Well No. 155 in the Sand Hills (Wolfcamp) Field be cancelled. Devon had originally requested net gas-oil ratio authority but the well is now producing within its assigned casinghead gas allowable.

The application is unopposed and the examiner recommends cancellation of the overproduction.

**DISCUSSION OF EVIDENCE**

The M. B. McKnight Well No. 155 was completed in July 2008 and was granted Rule 10 authority for downhole commingling in the Sand Hills (Wolfcamp) and Running W (Wichita Albany) Fields. The well is carried on the proration schedule in the Sand Hills (Wolfcamp) Field. The initial commingled producing rate was 50 BOPD, 265 MCFD and 20 BWPD. The top allowable in the Sand Hills (Wolfcamp) Field is 102 BOPD and 204 MCFD.

The subject well produces on rod pump and currently produces within its assigned casinghead gas limit. The well overproduced its monthly gas allowable during several months since July 2008 and has accumulated overage of approximately 22 MMCF. The lease as a whole, which has five wells, is overproduced approximately 53 MMCF. Some of the total overage is attributable to two other commingled wells on the lease which will be transferred to the Sand Hills (Tubb) Field, which has a daily gas limit of 500 MCFD.

**FINDINGS OF FACT**

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing.
2. The M. B. McKnight Well No. 155 was completed in July 2008. The well is downhole commingled in the Sand Hills (Wolfcamp) and Running W (Wichita Albany) Fields and carried in the Sand Hills (Wolfcamp) Field.
3. The top allowable in the Sand Hills (Wolfcamp) Field is 102 BOPD and 204 MCFD.
4. The subject well produces on rod pump and currently produces within its assigned casinghead gas limit.
5. The well overproduced its monthly gas allowable during several months and has accumulated overage of approximately 22 MMCF.
5. As of September 1, 2009, the cumulative overage for the lease is approximately 53 MMCF. The additional overage was accrued by two other commingled wells which are being transferred to the Sand Hills (Tubb) Field.

**CONCLUSIONS OF LAW**

1. Notice of this hearing was given as specified in the provisions of all regulatory codes.
2. All things have occurred or been accomplished to give the Commission jurisdiction in this matter.
3. Cancellation of overproduction for the M. B. McKnight lease in the Sand Hills (Wolfcamp) Field will not harm correlative rights and will not cause waste.

**RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends cancellation of overproduction for the M. B. McKnight lease in the Sand Hills (Wolfcamp) Field.

Respectfully submitted,

Donna K. Chandler  
Technical Examiner