

**OIL AND GAS DOCKET NO. 06-0255679**

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**THE APPLICATION OF SAMSON LONE STAR, LLC FOR A NEW FIELD DESIGNATION AND FIELD RULES FOR THE PROPOSED TRAWICK, WEST (TRAVIS PEAK) FIELD, NACOGDOCHES COUNTY, TEXAS**

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**Heard By:** Richard D. Atkins, P.E. - Technical Examiner

**Date of Hearing:** June 5, 2008

**Appearances:**

**Representing:**

James M. Clark

Samson Lone Star, LLC

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Samson Lone Star, LLC requests that a new field designation called the Trawick, West (Travis Peak) Field be approved for its Henderson Trust GU Well No. 1. Samson requests that the following field rules be adopted for the new field:

1. The correlative interval from 8,740 feet to 10,120 feet measured depth as shown on the Array Induction Dual Spaced Neutron Spectral Density Microlog for the Samson Lone Star, LLC - Henderson Trust GU Well No. 1 (API No. 42-347-32643), Nacogdoches County, Texas, should be designated as the Trawick, West (Travis Peak) Field.
4. An allocation formula based on 95% deliverability and 5% per well.

Samson also requests that the discovery well, the Henderson Trust GU Well No. 1, be permanently classified as a gas well.

There were no protests to this application and the examiner recommends approval of the new field designation, field rules and permanently classify the Henderson Trust GU Well No. 1 as a gas well.

### DISCUSSION OF THE EVIDENCE

The proposed Trawick, West (Travis Peak) Field was discovered by completion of the Samson Lone Star, LLC, Henderson Trust GU Well No. 1 through perforations from 8,756 feet to 9,656 feet measured depth on February 12, 2008. The well potentialized for 181 MCFGPD, 3 BCPD and 150 BWPD. The gas gravity is 0.656°, the condensate gravity is 44.8° API and the GOR is 60,381 Cf/Bbl. The bottomhole pressure is 3,121 psia and the bottomhole temperature is 235°F.

A new field designation is appropriate as there are no active or inactive wells in the Travis Peak within 2.5 miles of the discovery well. There are four plugged dry holes located within the 2.5 mile radius. The closest Travis Peak production is located approximately three miles east in the Trawick and Douglas, West fields.

Samson requests that the correlative interval from 8,740 feet to 10,120 feet measured depth as shown on the Array Induction Dual Spaced Neutron Spectral Density Microlog for the Samson Lone Star, LLC - Henderson Trust GU Well No. 1 (API No. 42-347-32643), Nacogdoches County, Texas, should be designated as the Trawick, West (Travis Peak) Field.

Form G-5 for the well did not meet the criteria for administrative gas well classification because the well was producing with a gas-liquid ratio of 60,381 cubic feet per barrel and the liquid gravity was 44.8 degrees API. Commission guidelines require the API gravity of the liquid hydrocarbon to be at least 50 degrees API for administrative classification as a gas well, if the gas-liquid hydrocarbon ratio is less than 100,000 cubic feet per barrel.

Samson submitted a compositional analysis for this well indicating that the mole percent C<sub>7+</sub> was 0.947%. There are likely some thin, individual stringers within the gross Travis Peak interval which produce free oil, resulting in unreliable G-5 data.

A multi-factor allocation formula is necessary for the protection of correlative rights pursuant to State Statutes. To satisfy State Statutes, Samson proposed a two factor allocation formula based on 95% deliverability and 5% per well.

### FINDINGS OF FACT

1. Notice of this hearing was sent to all operators in the subject field at least ten (10) days prior to the subject hearing.
2. There was no protest at the call of the hearing.

3. The proposed Trawick, West (Travis Peak) Field was discovered by completion of the Samson Lone Star, LLC - Henderson Trust GU Well No. 1 through perforations from 8,756 feet to 9,656 feet on February 12, 2008.
  - a. A new field designation is appropriate as there are no active or inactive wells in the Travis Peak formation within 2.5 miles of the discovery well.
  - b. There are four plugged dry holes located within the 2.5 mile radius.
4. The correlative interval from 8,740 feet to 10,120 feet measured depth as shown on the Array Induction Dual Spaced Neutron Spectral Density Microlog for the Samson Lone Star, LLC - Henderson Trust GU Well No. 1 (API No. 42-347-32643), Nacogdoches County, Texas, should be designated as the Trawick, West (Travis Peak) Field.
5. The Henderson Trust GU Well No. 1 potential for 181 MCFGPD, 3 BCPD and 150 BWPD. The gas gravity is 0.656°, the condensate gravity is 44.8° API and the GOR is 60,381 Cf/Bbl. The bottomhole pressure is 3,121 psia and the bottomhole temperature is 235°F.
6. Form G-5 for the well did not meet the criteria for administrative gas well classification because the well was producing with a gas-liquid ratio of 60,381 cubic feet per barrel and the liquid gravity was 44.8 degrees API.
7. A compositional analysis submitted for the well indicated the mole percent C<sub>7+</sub> was 0.947%.
8. The evidence intimates that there is no oil column in the Trawick, West (Travis Peak) Field. There are likely some thin, individual stringers within the gross Travis Peak interval which produce free oil, resulting in unreliable G-5 data.
9. Allocation based on 95% deliverability and 5% per well will protect correlative rights.

#### **CONCLUSIONS OF LAW**

1. Proper notice was given to all parties as set out in the provisions of all applicable codes and regulatory statutes.

2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. Approval of the requested new field designation and adoption of field rules will prevent waste, protect correlative rights and promote the orderly development of the field.
4. The Samson Lone Star, LLC - Henderson Trust GU Well No. 1 is a gas well.

**EXAMINER'S RECOMMENDATION**

Based on the above findings of facts and conclusions of law, the examiner recommends approval of the proposed new field designation and field rules for the Trawick, West (Travis Peak) Field. It is also recommended that the Henderson Trust GU Well No. 1 be permanently classified as a gas well.

Respectfully submitted,

Richard D. Atkins, P.E.  
Technical Examiner