

**THE APPLICATION OF FOREST OIL CORPORATION TO CONSOLIDATE THE GILMER, S. (BOSSIER SAND) FIELD INTO THE GILMER (COTTON VALLEY SANDS) FIELD, UPSHUR COUNTY, TEXAS**

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**Heard by:** Andres J. Trevino, P.E. on April 20, 2011

**Appearances:**

Rick Johnston

**Representing:**

Forest Oil Corporation

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Forest Oil Corporation requests that the Gilmer, S. (Bossier Sand) Field be consolidated into the Gilmer (Cotton Valley Sands) Field. Forest Oil requests no changes to the field rules for the Gilmer (Cotton Valley Sands) Field.

This application was unopposed and the examiner recommends approval of the requested field consolidation.

**DISCUSSION OF THE EVIDENCE**

The Gilmer (Cotton Valley Sands) Field was discovered in 1979 at a depth of 10,804 feet. Several Gilmer gas fields producing sweet gas were consolidated into the Gilmer (Cotton Valley Sands) Field in 2010 by Oil & Gas Docket Order No. 06-0267632. There are 44 gas wells and one oil well carried in the field which are operated by ten operators. The designated interval for the field is from 9,185 feet to 11,640 feet as shown on the log of the Indian Rock GU 12 No. 1. The field rules provide for 640 acre/optional 40 acre gas well density, 40 acre oil units and 467'-660' well spacing. The field is classified as an associated field with AOF status.

The Gilmer, S. (Bossier Sand) Field was discovered in October 2003. There are two oil wells carried in the field. The Gene A. McCollom No. 4C produces from perforations from 11,254 to 11,273 feet and the Gene A. McCollom-Reynolds No. 7 produces from 11,246 to 11,262 feet. The field has a cumulative production of 109.4 MBO. The field operates under Statewide rules with 467'/1200' spacing and a well density of 40 acre oil units.

The Gilmer, S. (Bossier Sand) Field was overlooked when the recent major field consolidation of the Gilmer (Cotton Valley Sands) Field had taken place. Over the years,

the fields have “grown together” and field designations overlap. Wells in the two fields produce from the same correlative interval. Consolidating the fields will promote the orderly development of the reservoirs by having uniform field rules.

**FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice and there were no protests.
2. The Gilmer (Cotton Valley Sands) Field was discovered in 1979 at a depth of 10,804 feet. Several Gilmer gas fields producing sweet gas were consolidated into the Gilmer (Cotton Valley Sands) Field in 2010 by Oil & Gas Docket Order No. 06-0267632. The field rules provide for 640 acre/optional 40 acre gas well density, 40 acre oil units and 467'-660' well spacing.
3. The designated interval for the Gilmer (Cotton Valley Sands) Field is from 9,185 feet to 11,640 feet as shown on the log of the Indian Rock GU 12 No.1.
4. The Gilmer, S. (Bossier Sand) Field was discovered in October 2003. The field operates with 467'/1200' spacing and a well density of 40 acre oil units.
5. The two oil wells in the Gilmer, S. (Bossier Sand) Field produce from the same correlative interval as the Gilmer (Cotton Valley Sands) Field.
6. The Gene A. McCollom No. 4C produces from perforations from 11,254 to 11,273 feet and the Gene A. McCollom-Reynolds No. 7 produces from 11,246 to 11,262 feet.
7. The Gilmer, S. (Bossier Sand) Field was overlooked when the recent major field consolidation of the Gilmer (Cotton Valley Sands) Field had taken place.
8. Over the years, the fields have “grown together”. Wells in the two fields produce from the same correlative interval.

**CONCLUSIONS OF LAW**

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.

3. Consolidation of the fields as proposed by Forest Oil Corporation is necessary to prevent waste and protect correlative rights.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends that the Gilmer, S. (Bossier Sand) Field be consolidated into the Gilmer (Cotton Valley Sands) Field and that no changes be made to the field rules for the Gilmer (Cotton Valley Sands) Field.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Hearings Examiner