

THE APPLICATION OF SOUTHWESTERN ENERGY PRODUCTION COMPANY TO AMEND THE FIELD RULES FOR THE CHARAMOUSCA, WEST (JACKSON) FIELD, DUVAL COUNTY, TEXAS

Heard by: Donna K. Chandler on October 4, 2000

Appearances:

Bill Black
W. Kurt Butler

Representing:

Southwestern Energy Production Co.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Southwestern Energy Production Company requests that the field rules for the Charamousca, West (Jackson) Field be amended. By Final Order No. 04-0221883, effective July 27, 1999, a designated interval was adopted for the field, along with a two factor allocation formula based on 95% deliverability and 5% per well. Southwestern Energy requests that a 5 acre density rule be adopted for the field with a 165'-300' spacing rule.

This application was unopposed and the examiner recommends that the field rules for the Charamousca, West (Jackson) Field be amended as proposed by Southwestern Energy.

DISCUSSION OF EVIDENCE

The Charamousca, West (Jackson) Field was discovered in April 1999 at a depth of approximately 700 feet. The discovery well for the field was the Duval County Ranch K No. 54 operated by Southwestern Energy. Two additional wells have since been completed in the field, both also operated by Southwestern Energy. All three wells were plug-backs from deeper horizons and additional plug-backs are planned by Southwestern Energy.

The Duval County Ranch K No. 54 has produced 13,300 MCF of gas through August 2000. Current production is approximately 10 MCFD. Estimated ultimate recovery from this well is 14,101 MCF. This reservoir has 28% average porosity and 30% average water saturation. Net pay in the No. 54 is 14 feet. The calculated drainage area for the No. 54 is 6 acres. The Duval County Ranch K No. 51 was completed in July 1999 and has produced 11,795 MCF through August 2000. The well produces approximately 15 MCFD and is expected to ultimately recover 12,816 MCF. The calculated drainage area for this well is 5 acres. The third well, the Duval County Ranch K No. 68 was completed in December 1999 and has had similar production to the No. 51 and No. 54.

FINDINGS OF FACT

1. Notice of this hearing was given to all persons entitled to notice.
2. The Charamousca, West (Jackson) Field was discovered in April 1999 at a depth of approximately 700 feet.
3. There are three producing gas wells in the field, all operated by Southwestern Energy Production Co. All three wells were plug-backs from deeper horizons and additional plug-backs are planned by Southwestern Energy.
4. Wells in the field will drain approximately five acres.
 - a. The Duval County Ranch K No. 54 has produced 13,300 MCF of gas and estimated ultimate recovery from this well is 14,101 MCF.
 - b. The calculated drainage area for the No. 54 is 6 acres.
 - c. The Duval County Ranch K No. 51 has produced 11,795 MCF and is expected to ultimately recover 12,816 MCF.
 - d. The calculated drainage area for the No. 51 well is 5 acres.
5. Well spacing a minimum of 165 feet from lease lines and 300 feet between wells is standard for five acre density.

CONCLUSIONS OF LAW

1. Proper notice of this hearing was issued.
2. All things have been accomplished or have occurred to give the Commission jurisdiction in this matter.
3. Amending the field rules for the Charamousca, West (Jackson) Field will prevent waste and protect correlative rights.

RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends that the field rules for the Charamousca, West (Jackson) Field be amended as proposed by Southwestern Energy Prod. Co.

Respectfully submitted,

Donna K. Chandler
Technical Examiner