

November 15, 2006

OIL AND GAS DOCKET NO. 04-0247539

APPLICATION OF BRIGHAM OIL & GAS L.P. TO AMEND THE FIELD RULES FOR THE TRIPLE CROWNE (VICKSBURG) FIELD, BROOKS COUNTY, TEXAS

HEARD BY: Thomas H. Richter, P.E.

DATE OF HEARING: November 13, 2006

APPEARANCES:

REPRESENTING:

Dick Schmidt

Brigham Oil & Gas L.P.

EXAMINER'S REPORT AND RECOMMENDATION
STATEMENT OF THE CASE

This is the unopposed application of Brigham Oil & Gas to amend the Field Rule No. 1 for the Triple Crown (Vicksburg) Field, adopted by Order No. 04-0230921, effective May 9, 2002, which currently provide for:

1. The entire combined correlative interval from 11,275 feet to 13,495 feet as shown on the log of the Dawson State Well No. 1, (API No. 42-047-31926) T.M. RR Co./J. F. Dawson #154, Abstract 178, Brooks County, Texas should be designated as the Triple Crowne (Vicksburg) Field.
2. A two-factor allocation formula based on 95% deliverability and 5% per well. The allocation formula was suspended in August 2002.

Brigham Oil & Gas proposes amending Rule No. 1 as follows:

1. The entire combined correlative interval from 10,330 feet (MD) to 13,495 feet (MD) as shown on the log of the Dawson State Well No. 1, (API No. 42-047-31926) T.M. RR Co./J. F. Dawson #154, Abstract 178, Brooks County, Texas should be designated as the Triple Crowne (Vicksburg) Field.
2. Rule No. 2: No Change and the allocation formula remain suspended.

The examiner recommends approval of the application.

DISCUSSION OF THE EVIDENCE

The Triple Crowne (Vicksburg) Field was discovered in November 2001 by completion of the Brigham Oil & Gas, Dawson State Well No. 1 through seven Vicksburg intervals from 11,275' to 13,495' subsurface depth. Currently, there are two operators in the field, Brigham Oil & Gas and Exxon Mobil Corp. and five wells listed on the November 2006 Commission Proration Schedule.

There are four new wells that have recently been completed that have not been placed on schedule and one well plugged and abandoned. Cumulative production for the field is 6.9 BCF of gas and 86,000 barrels of condensate. The discovery well, the Dawson State Well No. 1, has cumulative production of 1.2 BCF of gas and 6,500 barrels of condensate.

Expansion of the designated correlative interval is warranted to properly identify the entire Vicksburg interval. In October 2005, Brigham Oil & Gas completed its D.J. Sullivan "C" Lease Well No. 31 with its top perforation at 10,993'. Though this specific interval is not productive in the discovery well (the type log well), it is correlative. It is appropriate to designate the entire combined correlative Vicksburg interval as it may be productive in other developing wells.

It is proposed that the allocation formula remain unchanged and suspended.

FINDINGS OF FACT

1. Notice of this hearing was sent to all affected persons in the subject area field at least ten (10) days prior to the subject hearing.
2. There was no protest at the call of the hearing.
3. The Triple Crowne (Vicksburg) Field was discovered in November 2001 by completion of the Brigham Oil & Gas, Dawson State Well No. 1 through seven Vicksburg interval from 11,275' to 13,495' subsurface depth.
 - a. Currently, there are two operators in the field, Brigham Oil & Gas and Exxon Mobil Corp. and five wells listed on the November 2006 Commission Proration Schedule.
 - b. Special field rules for the Triple Crown (Vicksburg) Field were adopted by Order No. 04-0230921, effective May 9, 2002, which provide for a correlative interval from 11,275 feet to 13,495 feet as shown on the log of the Dawson State Well No. 1 and a two-factor allocation formula based on 95% deliverability and 5% per well.
 - c. The allocation formula was suspended in August 2002.
4. Expansion of the designated correlative interval is warranted to properly identify the entire Vicksburg interval.
 - a. In October 2005, Brigham Oil & Gas completed its D.J. Sullivan "C" Lease Well No. 31 with its top perforation at 10,993' and other correlative Vicksburg intervals may be productive in other developing wells.
5. The allocation formula should remain suspended as there is still a demand for 100% of the gas produced from the field.

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. Amending Field Rule No. 1 will prevent waste, foster conservation and protect correlative rights.
4. Continued suspension of the allocation formula is appropriate pursuant to Statewide Rule 31(j).

EXAMINER'S RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends approval of the proposed amended combined correlative interval for the Triple Crown (Vicksburg) Field.

Respectfully submitted,

Thomas H. Richter, P.E.
Technical Examiner
Office of General Counsel