

**OIL AND GAS DOCKET NO. 08-0271143**

---

**THE APPLICATION OF MAK-J ENERGY PARTNERS (TX), LTD. TO ADOPT FIELD RULES FOR THE PETTY 48 (UPPER STRAWN) FIELD, HOWARD COUNTY, TEXAS**

---

**HEARD BY:** Richard D. Atkins, P.E. - Technical Examiner  
Brian K. Fancher - Technical Examiner

**DATE OF HEARING:** July 6, 2011

**APPEARANCES:**

Michael E. McElroy  
Rick Johnston

**REPRESENTING:**

Mak-J Energy Partners (TX), Ltd.

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Mak-J Energy Partners (TX), Ltd. ("Mak-J") requests that Field Rules be adopted for the Petty 48 (Upper Strawn) Field. Mak-J proposes the following Field Rules:

1. Designation of the field as the correlative interval from 9,789 feet to 9,930 feet, as shown on the log of the Mak-J Energy Partners - O'Brien "43", Well No. 1 (API No. 42-317-35492);
2. 467'- 660' well spacing;
3. 80 acre oil units with optional 40 acre density;
4. 100% acres allocation.

This application was unopposed and the examiners recommend that Field Rules for the Petty 48 (Upper Strawn) Field be adopted, as proposed by Mak-J.

### DISCUSSION OF EVIDENCE

The Petty 48 (Upper Strawn) Field was discovered in July 1995 at an average depth of 9,630 feet. The field operates under Statewide Rules. There are currently no producing oil wells and no operators carried on the proration schedule. Cumulative production from the field through June 2011 is 1,397 BO and 12.1 MMCFG.

There is currently no defined correlative interval for the field. Mak-J requests that the field be defined as the correlative interval from 9,789 feet to 9,930 feet, as shown on the log of the Mak-J Energy Partners (TX), Ltd - O'Brien "43" Lease, Well No. 1 (API No. 42-317-35492), Section 43, Block A, Bauer and Cockrell Survey, A-322, Martin County, Texas. This interval includes the entire section of the Strawn formation and is situated stratigraphically between the base of the Wolfcamp and the top of the Mississippian formations.

Mak-J aspires to implement field rules for the Petty 48 (Upper Strawn) Field synonymous with the Spraberry (Trend Area) Field. As a result, Mak-J is requesting spacing of 467'-660' in order to exploit horizons stratigraphically deeper than the Spraberry (Trend Area) Field. Mak-J has indicated they will be seeking Statewide Rule 10 authority to produce the Petty 48 (Upper Strawn) Field along with the Spraberry (Trend Area) Field, as the Petty 48 (Upper Strawn) Field is individually uneconomical. Mak-J indicated that in order to prevent waste of hydrocarbons, the proposed field rules for the Petty 48 (Upper Strawn) Field must be adopted to allow for down-hole commingling without obtaining a Statewide Rule 37 exception.

### FINDINGS OF FACT

1. Notice of this hearing was given to all persons entitled to notice and no protests were received.
2. The Petty 48 (Upper Strawn) Field was discovered in July 1995 at an average depth of 9,630 feet. The field operates on Statewide Rules.
3. The Petty 48 (Upper Strawn) Field currently does not contain any producing oil wells and no operators are carried on the proration schedule.
4. The correlative interval from 9,789 feet to 9,930 feet as shown on the log of the Mak-J Energy Partners (TX), Ltd. - O'Brien "43" Lease, Well No. 1 (API No. 42-317-35492) should be designated as a single reservoir for proration purposes and be designated as the Petty 48 (Upper Strawn) Field.
5. The proposed field rules for the Petty 48 (Upper Strawn) Field provide for 467' - 660' well spacing, 80 acre oil units with optional 40 acre density, and are appropriate for the field.

6. The Petty 48 (Upper Strawn) Field is individually uneconomical to produce.
7. The Petty 48 (Upper Strawn) Field is stratigraphically located below the Spraberry (Trend Area) Field.
8. The proposed field rules for the Petty 48 (Upper Strawn) Field will allow for down-hole commingling with the Spraberry (Trend Area) Field without obtaining a Statewide Rule 37 exception.

**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. Adopting Field Rules for the Petty 48 (Upper Strawn) Field is necessary to prevent waste, protect correlative rights and promote development of the field.

**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the examiners recommend that Field Rules for the Petty 48 (Upper Strawn) Field be adopted, as proposed by Mak-J Energy Partners (TX), Ltd.

Respectfully submitted,

Richard D. Atkins, P.E.  
Technical Examiner

Brian K. Fancher  
Technical Examiner