



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0285307

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THE APPLICATION OF CONOCOPHILLIPS COMPANY TO AMEND FIELD RULES FOR THE HOWARD GLASSCOCK (CONSOLIDATED) FIELD, CRANE, GLASSCOCK, HOWARD, MIDLAND, MITCHELL, AND STERLING COUNTIES, TEXAS

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**Heard by:** Paul Dubois – Technical Examiner  
Michael Crnich – Legal Examiner

**Date:** November 19, 2013

**Appearances:**

Jamie Nielson  
Greg Cloud

**Representing:**

ConocoPhillips Company

### EXAMINER'S REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

This is the application of ConocoPhillips Company (Conoco) to amend field rules for the Howard Glasscock (Consolidated) Field in Crane, Glasscock, Howard, Midland, Mitchell and Sterling Counties, Texas. This application was not protested; a letter of support was received from Miranda Energy Corporation, an operator in the field. The examiners recommend approval of the field rule amendments, as requested by Conoco.

#### DISCUSSION OF THE EVIDENCE

The Howard Glasscock (Consolidated) Field was created in 2011 by the consolidation of the Howard Glasscock, Howard-Glasscock (Glorieta), and Howard Glasscock (Clear Fork, MI) Fields by Commission Final Order 08-0272562. The predecessor fields to the Howard Glasscock (Consolidated) Field date back to the 1920s. The field has produced about 482 MMBO. The correlative interval includes the Yates, San Andres, Glorieta and Clear Fork (Tubb) Formations. The current oil proration schedule lists 985 producing wells, many of which produce from 2 to 5 BOPD. A few newer or recompleted wells produce up to 30 to 40 BOPD. There are several hundred shut-in wells in the field.

At the time of field consolidation in 2011, the current field rules were adopted as follows:

1. A designated, correlative interval from 1,120 feet to 5,890 feet, as shown on the log of the ConocoPhillips Company, Sloan Chalk lease, Well No. 29;
2. 200 foot lease line spacing and no between well spacing;
3. 10 acre standard and 5 acre optional proration units, both subject to diagonal distance limitations;
4. Allocation based on 95% per well and 5% acreage; and
5. Maximum Efficient Rate (MER) allowable of 250 barrels of oil per day per well.

Conoco seeks two changes to the current field rule no. 3. First, Conoco requests that the maximum diagonal distance limitation on proration unit dimensions be removed for standard and optional units. Second, Conoco is seeking to remove the requirement that operators file plats that identify and delineate individual proration unit boundaries and assigned acreage.

Conoco provided a sampling of well completion reports for recent wells completed on one lease in the field. These wells represented the 10<sup>th</sup>, 11<sup>th</sup>, 12<sup>th</sup>, and 13<sup>th</sup> wells completed on the 160 acre lease, and Conoco has plans to drill 200 more wells on various leases in the field at similar or greater densities. Under current field rules a well proration plat must be submitted for each well identifying its assigned acreage. Conoco believes that there is no particular benefit to this requirement, especially as proration units decrease in size, and the creation of one new proration unit requires adjustments to neighboring unit sizes and configurations.

#### **FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice and there were no protests.
2. The Howard Glasscock (Consolidated) Field was established in 2011 from fields that date back to the 1920s.
3. The Field Rules for the Howard Glasscock (Consolidated) Field include limits on the maximum diagonal dimensions of proration units and requiring operators to file plats identifying individual well proration units.

4. The field rule limits on the maximum diagonal dimensions of proration units and requirements to file plats identifying individual well proration units do not contribute to the prevention of waste, protection of correlative rights, or the orderly development of the field.
5. Amending the field rules as requested by Conoco will promote the orderly development of the field.

**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. Amending the field rules as requested by Conoco will promote the orderly development of the field.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends that field rules for the Howard Glasscock (Consolidated) Field be amended as requested by ConocoPhillips Company.

Respectfully submitted,



Paul Dubois  
Technical Examiner



Michael Crnich  
Legal Examiner