

September 1 ,2000

**OIL AND GAS DOCKET NO. 8A-0225345**

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**APPLICATION OF GREAT WESTERN DRILLING TO CONSIDER TEMPORARY FIELD RULES FOR THE SUNTURA (LOWER CLEAR FORK) FIELD, TERRY COUNTY, TEXAS**

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

**DATE OF HEARING:** August 29, 2000

**APPEARANCES:**

Sam Roberts  
Pat Welch

**REPRESENTING:**

Great Western Drilling Company

**PROTESTANT:** none

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

This is the unprotested application of Great Western Drilling Company for the Commission to consider temporary field rules for the Suntura (Lower Clear Fork) Field that provide for:

1. The entire correlative interval from 7,428' to 7,950' subsurface depth as shown on the Type log of the Great Western Drilling Co., Suntura Lease Well No. 1, in Section 13, Blk D-14, C&M RR Co. Survey, Terry County, Texas be recognized and designated as the Suntura (Lower Clear Fork) Field.
2. Minimum well spacing of 467'/1200' (lease line/between well),
3. 80 acre proration units with 40 acre tolerance and maximum diagonal of 3,250' and optional 40 acre density; and
4. An allocation formula based on 100% acreage and continuation of the discovery allowable of 270 BOPD in accordance with Statewide Rule 45.

Great Western requested optional 40 acre density. There is insufficient data to support the need for the 40 acre density at this time. Great Western stated that it would not consider adverse a recommendation that did not include the proposed optional 40 acre density.

### **DISCUSSION OF THE EVIDENCE**

The Suntura (Lower Clear Fork) Field was discovered December 3, 1999 by completion of the Great Western Drilling Co., Suntura Lease Well No. 1 through perforations from 7,621' - 7,709' subsurface depth. The field is governed by Statewide Rules. Great Western is the only operator in the field with three other wells. Basic reservoir parameters are: average porosity 5.6%; average water saturation 15%; average net pay thickness 100 feet. It is proposed the entire correlative interval from 7,428' to 7,950' subsurface depth as shown on the Type log of the Great Western Drilling Co., Suntura Lease Well No. 1, in Section 13, Blk D-14, C&M RR Co. Survey, Terry County, Texas be recognized and designated as the Suntura (Lower Clear Fork) Field.

Eighty (80) acre proration unit density will provide for the efficient and effective depletion of the subject field. Cumulative production from the field is 48,000 BO. The Suntura Well No. 1 potentialed at 166 BOPD, 39 MCFD and no water. The well was put on artificial lift in August 2000. The well was producing 200 BOPD in July 2000. Cumulative production is 36,722 BO. Volumetric analysis calculates 332,000 BO for 80 acres (RF=12.5%) Production decline analysis estimates the remaining recoverable reserves to be 282,000 BO. The calculated drainage area is 73 acres. The Suntura Well No. 2 potential at 152 BOPD in March 2000. This well currently produced 125 BOPD. The Pool Well No. 1 was completed in May 2000 and potentialed at 95 BOPD. The well currently produces 200 BOPD. The Geodyne Well No. 1 was completed in May 2000 and potentialed at 94 BOPD. The well currently produces 250 BOPD.

The proposed minimum well spacing, 467'/1200' (leaseline/between well), is necessary to provide for flexibility in locating wells in this area. The 100% acreage allocation formula will provide for the protection of correlative rights. It is requested that the discovery allowable remain in effect in accordance with Statewide Rule 45. The discovery allowable is 270 BOPD for wells completed at this depth.

### **FINDINGS OF FACT**

Based on the evidence presented, the examiner proposes the following findings:

1. Notice of this hearing was sent to all operators in the subject field at least ten (10) days prior to the subject hearing.
2. There was no protest at the call of the hearing.
3. The Suntura (Lower Clear Fork) Field was discovered December 3, 1999 by completion of the Great Western Drilling Co., Suntura Lease Well No. 1 through perforations from 7,621' - 7,709' subsurface depth.

- a. The field is governed by Statewide Rules.
- b. Great Western is the only operator in the field with four wells.
4. The entire correlative interval from 7,428' to 7,950' subsurface depth as shown on the Type log of the Great Western Drilling Co., Suntura Lease Well No. 1, in Section 13, Blk D-14, C&M RR Co. Survey, Terry County, Texas be recognized and designated as the Suntura (Lower Clear Fork) Field.
5. Eighty (80) acre proration unit density will provide for the efficient and effective depletion of the subject field.
  - a. The Suntura Well No. 1 was producing 200 BOPD in July 2000. Cumulative production is 36,722 BO.
  - b. Volumetric analysis calculates 332,000 BO for 80 acres (RF=12.5%)
  - c. Production decline analysis estimates the remaining recoverable reserves to be 282,000 BO.
  - d. The calculated drainage area is 73 acres.
6. The proposed minimum well spacing, 467'/1200' (leaseline/between well) is necessary to provide for flexibility in locating wells in this area.
7. The 100% acreage allocation formula will provide for the protection of correlative rights.
8. The discovery allowable should remain in effect in accordance with Statewide Rule 45. The discovery allowable is 270 BOPD for wells completed at this depth.

#### **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. Consideration of field rules, a determination of their effectiveness and appropriate actions is a matter within the Commission jurisdiction.

4. Adoption of the proposed fields rule will prevent waste, foster conservation and protect correlative rights.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends approval of the proposed field rules as temporary for 18 months for the Suntura (Lower Clear Fork) Field.

Respectfully submitted,

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