



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0284790

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THE APPLICATION OF DEVON ENERGY PRODUCTION CO, LP TO CONSIDER INCREASED NET GAS-OIL RATIO AUTHORITY FOR ITS DOROTHY HILL LEASE, WELL NO. 2, PYOTE, SOUTH (6100 SAND) FIELD, WARD COUNTY, TEXAS

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HEARD BY: Richard D. Atkins, P.E. - Technical Examiner  
Laura Miles-Valdez - Legal Examiner

HEARING DATE: December 3, 2013

APPEARANCES: REPRESENTING:

**APPLICANT:**

John Soule  
James M. Clark

Devon Energy Production Co, LP

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Devon Energy Production Co, LP ("Devon") requests that all over-production for its Dorothy Hill Lease (ID No. 34711), Well No. 2 (API No. 42-475-34218), Pyote, South (6100 Sand) Field (ID No. 73565 400), Ward County, Texas, be cancelled. Devon had originally requested increased net gas-oil ratio authority, but the well is now producing within its assigned oil and casinghead gas allowables.

The application is unopposed and the examiners recommend cancellation of the over-production, as requested by Devon.

#### DISCUSSION OF EVIDENCE

The Dorothy Hill Lease, Well No. 2, was completed in the Pyote, South (6100 Sand) Field in August 1995. The well received a commingling permit for the Pyote, South (6450 Sand) Field in Final Order No. 08-0211811, effective May 14, 1996, and was assigned to the Pyote, South (6100 Sand) Field for proration purposes. The estimated combined production from the two fields was 64 BOPD and 600 BWPD.

The Pyote, South (6100 Sand) Field was discovered in March 1960 at an average depth of 6,100 feet. There are two producing oil wells and two operators carried on the oil proration schedule. The field operates under Field Rules that provide for 330'-933' well spacing, 40 acre oil units and allocation based on 100% acres. The top oil allowable is 111 BOPD with an allowable casinghead gas limit of 2,000 cubic feet per barrel. Cumulative production from the field through November 2013 is 870.6 MBO and 2.0 BCFG.

Devon had originally requested increased net gas-oil ratio authority for the well because it was being assigned a penalized oil allowable due to a high gas-oil ratio. The well is now producing within its assigned allowable at a rate of 17 BOPD, 128 MCFGPD and 288 BWPD. Through October 2013, the cumulative oil over-production is 1,136 BO. Devon requests that the overage be cancelled.

#### FINDINGS OF FACT

1. Notice of this hearing was provided to all persons entitled to notice at least ten (10) days prior to the date of the hearing and no protests were received.
2. The Dorothy Hill Lease, Well No. 2, was completed in the Pyote, South (6100 Sand) Field in August 1995.
  - a. The well received a commingling permit for the Pyote, South (6450 Sand) Field in Final Order No. 08-0211811, effective May 14, 1996, and was assigned to the Pyote, South (6100 Sand) Field for proration purposes.
  - b. The estimated combined production from the two fields was estimated to be 64 BOPD and 600 BWPD.
3. The Pyote, South (6100 Sand) Field was discovered in March 1960 at an average depth of 6,100 feet.
  - a. There are two producing oil wells and two operators carried on the oil proration schedule.
  - b. The field operates under Field Rules that provide for 330'-933' well spacing, 40 acre oil units and allocation based on 100% acres.
  - c. The top oil allowable is 111 BOPD with an allowable casinghead gas limit of 2,000 cubic feet per barrel.
4. The well is now producing within its assigned allowable at a rate of 17 BOPD, 128 MCFGPD and 288 BWPD.

5. Through October 2013, the cumulative oil over-production is 1,136 BO.

**CONCLUSIONS OF LAW**

1. Proper notice of this hearing was issued.
2. All things have occurred or been accomplished to give the Commission jurisdiction in this matter.
3. Cancellation of the over-production for the Dorothy Hill Lease, Well No. 2, in the Pyote, South (6100 Sand) Field will not harm correlative rights and will not cause waste.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the examiners recommend that the Commission cancel the over-production for the Dorothy Hill Lease, Well No. 2, in the Pyote, South (6100 Sand) Field, as requested by Devon Energy Production Co, LP.

Respectfully submitted,

  
Richard D. Atkins, P.E.  
Technical Examiner

  
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Legal Examiner