



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL AND GAS DOCKET NO. 01-0299067

THE APPLICATION OF MURPHY EXPLORATION & PRODUCTION CO. FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE WILSON BROTHERS UNIT A, WELL NO. 1H, EAGLEVILLE (EAGLE FORD -1) FIELD, ATASCOSA COUNTY, TEXAS

HEARD BY: Richard Eyster, P.G. – Technical Examiner
Ryan Lammert – Administrative Law Judge

HEARING DATE: January 29, 2016

CONFERENCE DATE: March 8, 2016

APPEARANCES:

APPLICANT:

Kelli Kenny
Chris Vergona
Brent Sonnier
Francisco Garcia

REPRESENTING:

Murphy Exploration & Production Co.

EXAMINERS' REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Murphy Exploration & Production CO. (Murphy) requests an exception to Statewide Rule 32 to flare gas for the Wilson Brothers Unit A, Well No. 1H, (API 41-013-35306), Eagleville (Eagle Ford-1) Field, Atascosa County, Texas.

All persons entitled to notice received notice of the hearing. The matter is not protested. The Examiners recommend approval of the exception to Statewide Rule 32 to flare a maximum of 160 MCFG/D of casinghead gas from the Wilson Brothers Unit A, Well No. 1H, for a period of eighteen months from January 6, 2016, through July 6, 2107, as requested by Murphy.



DISCUSSION OF THE EVIDENCE

Statewide Rule 32 governs the utilization of gas well gas and casinghead gas produced by oil and gas wells under the jurisdiction of the Railroad Commission. In the subject application, Murphy is requesting to flare casinghead gas produced from the Wilson Brothers Unit A, Well No. 1H, Eagleville (Eagle Ford-1) Field in Atascosa County Texas, as provided in Statewide Rule 32(h).

The Wilson Brothers Unit A, Well No. 1H (WB-1H Well) was completed on June 30, 2015, 6 miles southeast of the city of Charlotte in Atascosa County. The WB-1H Well was completed at a total vertical depth of 8,189 ft and measured depth of 17,790 ft. During the 24 hour initial potential test, the WB-1H Well produced 580 bbl oil per day, 345 MCFG per day and 904 bbl water per day. The gas-oil ratio was 594 cf/bbl.

Murphy received an 90 day administrative flare permit for the WB-1H Well (Permit No. 22761, effective July 10, 2015, through October 8, 2015 at a maximum volume of 225 MCFG/D for the WB-1H Well.

An operator is considered temporarily compliant with Statewide Rule 32 until final Commission action on the hearing application if it has requested a hearing prior to the expiration of the administratively granted flare permit. On September 30, 2015, Murphy requested an exception to flare hearing to continue their flaring authority for the WB-1H Well for at a volume of 160 MCFG/D for a period of eighteen months, from January 6, 2016 through July 7, 2017.

The Examiners recommend approval of the exception to Statewide Rule 32 to flare a maximum of 160 MCFG/D from the Wilson Brothers Unit A, Well No. 1H, for a period of eighteen months, from January 6, 2016 through July 6, 2017, as requested by Murphy.

FINDINGS OF FACT

1. Proper notice of this hearing was given to all parties entitled to notice. There were no protests to the application.
2. The WB-1H Well is located approximately six miles southeast of the town of Charlotte, Atascosa County, Texas.
3. The Wilson Brothers Unit A, Well No. 1H, was completed at a TVD of 8,189 ft and a MD of 17,790 feet.
4. During the 24 hour initial potential test, the WB-1H Well produced 580 bbl oil per day, 345 MCFG/D and 904 bbl water per day. The gas-oil ratio was 594 cf/bbl.

5. Murphy received an 90 day administrative flare permit for the WB-1H Well (Permit No. 22761), effective July 10, 2015, through October 8, 2015 at a maximum volume of 225 MCFG/D.
6. Murphy requested an exception to flare hearing on December 2, 2015 to continue their flaring authority for a period of eighteen months, from January 6, 2016 through July 6, 2017 at a volume of 160 MCFG/D for the WB-1H Well.
7. Allowing Murphy to flare will prevent the waste of recoverable hydrocarbons

CONCLUSIONS OF LAW

1. Proper notice was issued as required by all applicable statutes and regulatory codes.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter
3. The requested exception to flare a maximum of 160 MCFG/D for the Wilson Brothers Unit A, Well No. 1H, Eagleville (Eagle Ford-1) Field in Atascosa County Texas, meets the requirements of Statewide Rule 32.16 Tex. Admin. Code § 3.32(h).

EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission grant an exception to Statewide Rule 32 to flare a maximum of 160 MCFG/D for the Wilson Brothers Unit A, Well No. 1H, Eagleville (Eagle Ford-1) Field in Atascosa County Texas as requested by Murphy Exploration & Production Co.

Respectfully submitted,



Richard Eyster, P.G.
Technical Examiner



Ryan Lammert
Administrative Law Judge