

**OIL AND GAS DOCKET NO.7C-0266446**

---

**THE APPLICATION OF PIONEER NATURAL RES. USA, INC. TO CANCEL THE OVERPRODUCTION FOR THE FREDA CRUMLEY WELL NO. 1H, X.B.C. (FUSSELMAN) FIELD, UPTON COUNTY, TEXAS**

---

**Heard by:** Donna K. Chandler

**Hearing Date:** July 27, 2010

**Appearances:**

George Neale  
Carey McGregor

**Representing:**

Pioneer Natural Res. USA, Inc.

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Pioneer Natural Res. USA, Inc. requests that all overproduction for the Freda Crumley Well No. 1H in the X.B.C. (Fusselman) Field be cancelled. This application was unopposed and the examiner recommends approval.

**DISCUSSION OF THE EVIDENCE**

The X.B.C. (Fusselman) Field was discovered in 1963. The only two wells carried in this non-associated gas field is the Freda Crumley No. 1H and the Pembroke No. 2 operated by Exxon Mobil. The field is prorated. The current deliverability for the Pembroke No. 2 is 85 MCFD and the current deliverability for the Freda Crumley No. 1H is 130 MCFD.

Pioneer completed its Freda Crumley No. 1H in October 2007 in the X.B.C. (Fusselman) Field. Completion papers were received by the Commission's District Office on March 17, 2008. The Commission's staff approved the bottomhole location for the horizontal well on January 16, 2009, which was the same date that the P-15 and plat were filed with the Commission.

Because the P-15 and plat were filed late, no allowable was assigned to the well for 14 months and cumulative overproduction was 201 MMCF. The well received allowable

in January, February and March 2009 based on its initial deliverability of 1,429 MCFD and some of the overage was made up.

For its July 2009 G-10 test, Pioneer failed to report a test rate for the well and the well received no allowable for the next 3 months. The Commission's first letter notifying the operator of overproduction was April 26, 2010, at which time the overage was over 111 MMCF.

Pioneer requests that all overage for the well be cancelled. Exxon Mobil was notified of the hearing and had no objection. The well has produced a total of 294 MMCF of gas through June 1010.

### **FINDINGS OF FACT**

1. Notice was issued to all affected persons at least ten (10) days prior to the date of the hearing. The hearing was unopposed.
2. The X.B.C. (Fusselman) Field is a non-associated gas field with two producing wells. The field is currently prorated.
3. The Freda Crumley No. 1H was completed in October 2007 in the X.B.C. (Fusselman) Field. Completion papers were received by the Commission's District Office on March 17, 2008, except for Form P-15 and plat, which was not filed until January 16, 2009.
4. The bottomhole location for the Freda Crumley No. 1H was approved by the Commission on January 16, 2009.
5. The well was not assigned an allowable until January 2009 and had accumulated 201 MMCF of overage by that time.
6. The Commission's first letter notifying the operator of overproduction was April 26, 2010, at which time the overage was over 111 MMCF.
7. The well currently produces less than 150 MCFD and has produced 294 MMCF of gas through June 1010.

### **CONCLUSIONS OF LAW**

1. Proper notice was timely issued to all persons legally entitled to notice.
2. All things have been accomplished to give the Commission jurisdiction in this matter.
3. Cancellation of overproduction for the Freda Crumley No. 1H in the X.B.C.

(Fusselman) Field will not harm correlative rights and will not cause waste.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends that all overproduction for the Freda Crumley No. 1H in the X.B.C. (Fusselman) Field be cancelled.

Respectfully submitted,

Donna K. Chandler  
Technical Examiner