

**THE APPLICATION OF CONOCOPHILLIPS COMPANY TO CONSIDER AUTHORITY PURSUANT TO STATEWIDE RULE 23 TO PRODUCE ON VACUUM ITS TEXAS HUGOTON GAS UNIT 16 WELL NO. 1R, TEXAS HUGOTON FIELD, SHERMAN COUNTY, TEXAS**

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**Heard by:** Andres J. Trevino, P.E.  
Technical Hearings Examiner

**Hearing Date:** February 20, 2009

**Appearances:**

Jaimie Nielson  
Greg Cloud

**Representing:**

ConocoPhillips Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

ConocoPhillips Company requests authority to pull up to 20 inches of mercury vacuum in order to maximize recovery for its Texas Hugoton Gas Unit 16 Well No. 1R (Gas I.D. No. 10-200955) in the Texas Hugoton Field.

This application was unopposed and the examiner recommends approval.

**DISCUSSION OF THE EVIDENCE**

The requested authority is for Texas Hugoton Gas Unit 16 Well No. 1R gas well. This well has produced 227.3 MMCF of gas. The Texas Hugoton Field is a large, mature field discovered in 1945 at a depth of 2,800'. There are over 1,000 wells in the field of which approximately 90% produce less than 100 MCFD. The Texas Hugoton Field is 95% pressure depleted. The original bottom hole pressure for the Texas Hugoton Field was 450 psig. The current bottom hole pressure for the Texas Hugoton Gas Unit 16 Well No. 1R is 15 psia.

Without vacuum authority, ultimate recovery from the well is estimated to be 323.8 MMCF of gas. The daily production is expected to increase from 80 MCFD to 300 MCFD. This increase in daily production will increase ultimate recovery from the subject well. With the installation of the compressor, ConocoPhillips estimates an increased recovery of 303.5 MMCF of gas giving the well an ultimate recovery of 627.3 MMCF of gas. Additionally, compressor assistance is needed to pump the wellhead gas at 15 psia into a gathering line with an operating pressure of 15 to 20 psia.

ConocoPhillips has previously received Commission authority for its other wells in this field, as have many of the other operators in the field. The requested exceptions to Rule 23 are necessary to protect correlative rights and prevent drainage to offsetting wells.

All operators in the subject fields were notified of the subject hearing. A waiver was received from Oil Producers Incorporated of Kansas but not from Chesapeake Operating Inc. There were no objections filed and no protestant appeared at the hearing.

**FINDINGS OF FACT**

1. Proper notice of this hearing was given to all offsetting operators to the lease at least ten days prior to the date of hearing. There were no protests to the application.
2. The Texas Hugoton Gas Unit 16 Well No. 1R which is the subject of this hearing is in the Texas Hugoton Field.
3. Approximately 90% of the wells in the Texas Hugoton Field have an average daily production of 100 MCFD. The Texas Hugoton Field is 95% pressure depleted.
4. Cumulative production from the Texas Hugoton Gas Unit 16 Well No. 1R is 227.3 MMCF of gas.
5. The total daily production from Texas Hugoton Gas Unit 16 Well No. 1R is 80 MCFD. It is estimated the daily production will increase to 300 MCFD with vacuum assist.
6. Without increased vacuum authority, estimated ultimate recovery for the Texas Hugoton Gas Unit 16 Well No. 1R is 323.8 MMCF. With increased vacuum authority, estimated ultimate recovery for the well is 627.3 MMCF.

**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. Approval of the requested authority pursuant to Statewide Rule 23 will prevent waste and will not harm correlative rights.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends that the requested Rule 23 authority be granted for the Texas Hugoton Gas Unit 16 Well No. 1R (Gas I.D. No. 10-200955) in the Texas Hugoton Field.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Hearings Examiner