

**OIL AND GAS DOCKET NO. 10-0256400**

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**THE APPLICATION OF SAMSON LONE STAR, LLC TO ESTABLISH AN MER FOR THE CAMPBELL LEASE WELL NO. 2216 IN THE MENDOTA, NW. (GRANITE WASH) FIELD, HEMPHILL COUNTY, TEXAS**

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**Heard by:** Richard D. Atkins, P.E. - Technical Examiner

**Hearing Date:** May 23, 2008

**Appearances:**

James M. Clark  
Randal Maxwell

**Representing:**

Samson Lone Star, LLC

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Samson Lone Star, LLC requests an MER of 750 BOPD for its Campbell Lease Well No. 2216 in the Mendota, NW. (Granite Wash) Field. At the hearing, Samson amended its request to include an increased net gas-oil ratio authority with a casinghead gas limit of 2,400 MCFGPD. Samson also requests that all accumulated overproduction be cancelled for this well. After the hearing, notice was amended to include Samson's request for an increased net gas-oil ratio authority with a casinghead gas limit of 2,400 MCFGPD.

The application is unopposed and the examiner recommends approval of the requested MER, net gas-oil ratio authority and cancellation of overproduction.

**DISCUSSION OF EVIDENCE**

The Campbell Lease Well No. 2216 was completed in the Mendota, NW. (Granite Wash) Field in February 2008 with perforations between 10,564 feet and 11,608 feet. On initial test, the well flowed on a 26/64" choke at a rate of 692 BOPD, 1,984 MCFGPD and 265 BWPD.

The top allowable in the field is 172 BOPD and 1,200 MCFGPD. There are 19 oil wells and 133 associated gas wells carried on the proration schedules. The gas field is 100% AOF.

The Campbell Lease Well No. 2216 was tested at various rates during April and May 2008 to determine rate sensitivity. The choke was adjusted incrementally from 9/64" to 33/64" and the producing oil rate varied between 173 BOPD and 718 BOPD, on average,

with a top rate of 726 BOPD. The gas-oil ratio was very constant, ranging only from 3,209 cubic feet per barrel to 3,641 cubic feet per barrel. On the smaller choke sizes, the well began to load up with water and the producing water oil ratio declined from 33% down to only 5%.

Samson Lone Star, LLC requests an MER of 750 BOPD and increased net gas-oil ratio authority with a casinghead gas limit of 2,400 MCFGPD for its Campbell Lease Well No. 2216 in the Mendota, NW. (Granite Wash) Field. Samson also requests that all accumulated overproduction be cancelled for this well.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing.
2. The Campbell Lease Well No. 2216 was completed in the Mendota, NW. (Granite Wash) Field in February 2008.
3. The top allowable in the field is 172 BOPD and 1,200 MCFGPD.
4. The Campbell Lease Well No. 2216 is a flowing well and is capable of producing in excess of 700 BOPD, 2,300 MCFGPD and 250 BWPD.
5. The Campbell Lease Well No. 2216 is not rate sensitive. When the rate was varied between 173 BOPD and 718 BOPD, the gas-oil ratio was very constant, ranging only from 3,209 cubic feet per barrel to 3,641 cubic feet per barrel.
6. On the smaller choke sizes, the well begins to load up with water and the producing water oil ratio declines from 33% down to only 5%.
7. Producing the Campbell Lease Well No. 2216 at rates up to 750 BOPD and 2,400 MCFGPD will not cause waste.

### **CONCLUSIONS OF LAW**

1. Notice of this hearing was given as specified in the provisions of all regulatory codes.
2. All things have occurred or been accomplished to give the Commission jurisdiction in this matter.

3. Approval of an MER of 750 BOPD, increased net gas-oil ratio authority with a casinghead gas limit of 2,400 MCFGPD and cancellation of overproduction for the Campbell Lease Well No. 2216 in the Mendota, NW. (Granite Wash) Field will not cause waste and will not harm correlative rights.

**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the examiner recommends approval of an MER of 750 BOPD, increased net gas-oil ratio authority with a casinghead gas limit of 2,400 MCFGPD and cancellation of overproduction for the Campbell Lease Well No. 2216 in the Mendota, NW. (Granite Wash) Field.

Respectfully submitted,

Richard D. Atkins, P.E.  
Technical Examiner