

**OIL AND GAS DOCKET NO. 08-0227171**

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**THE APPLICATION OF HUNT OIL COMPANY FOR AN MER OIL ALLOWABLE FOR ITS J.M. WHITE LEASE WELL NO. 4, BLOCK A-34 (GLORIETA) FIELD, ANDREWS COUNTY, TEXAS**

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**Heard by:** Margaret Allen, Technical Hearings Examiner

**Procedural history**

Application received: January 11, 2001

Hearing held: February 2, 2001

**Appearances**

H. Philip Whitworth  
David Luttner

Representing  
Hunt Oil Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Hunt Oil is requesting an MER for its J.M White Lease, Well No. 4, in the Block A-34 (Glorieta) Field, to allow the well to produce up to 270 BOPD.

**DISCUSSION OF THE EVIDENCE**

The Block 34-A (Glorieta) Field was discovered in 1955 and has nine active wells. The field's top oil allowable is 142 barrels per day for wells on 80 acres. Gas production has been negligible. Cumulative field production is 3,075,000 barrels of oil, and water cut in the field as a whole has increased to over 80%. Hunt's J.M. White Lease is the most prolific lease, having produced 1,736,000 BO. The producing reservoir is the Glorieta C which has a strong water drive.

Hunt recently reworked an older well because of problems with the pump and tubing, and found that the well could produce at a higher rate than previously thought. After re-evaluating its old wells, Hunt determined that no well had yet been drilled on the top of the structure. It drilled its White Well No. 4 in December of 2000, and put it on production January 7, 2001. The top of the Glorieta was encountered at 5840 feet, and the well was perforated between 5931 and 5936 feet.

The Glorieta is a heterogeneous formation, with interbedded carbonates, shales and cherts. It is seldom fracture stimulated because fractures could cause communication with saltwater in the underlying Glorieta D member. Hunt has not yet pumped off the production in Well No. 4. On

January 19, 2001, when the daily pumping rate was 282 barrels of oil and 416 barrels of water, the fluid level was 1950 feet below the surface. On January 29, the daily producing rate was 276 barrels of oil and 451 barrels of water, and the fluid level was still 2651 feet below the surface. During the last week of January, the oil rate stabilized at just over 270 barrels per day, with the water rate about 450 barrels per day.

Apparently, the reservoir has not been drained despite the 45-year producing history of the wells in this field. Production shows that Well No. 4 is not rate sensitive and can produce at an oil rate greater than the allowable without causing waste. The applicant is requesting an MER for its Well No. 4 of 270 BO per day. During its first month on production, the White Well No. 4 accumulated oil overproduction that Hunt would like canceled. Hunt plans to drill additional wells for the Block A-34 (Glorieta) Field.

**FINDINGS OF FACT**

1. Notice of this hearing was mailed to all operators in the Block A-34 (Glorieta) Field, on January 22, 2001, and no one protested.
2. The allowable for wells in this field is 142 BOPD, with 242 MCF of gas per day.
3. The field has produced 1,736,000 barrels of oil since 1955, but the Glorieta formation is heterogeneous and there are still undrained parts of the reservoir.
4. The Glorieta C reservoir has a strong water drive, with a water cut over 80%.
5. The subject well, the J.M. White Lease Well No. 4, was drilled in 2000 and put on production in January, 2001.
6. Well No. 4 encountered the top of the Glorieta at 5840 feet and has perforations from 5931 to 5936 feet.
7. Well No. 4 has not yet been pumped off and does not appear to be rate sensitive.
  - a. On January 19, 2001, when the daily pumping rate was 282 barrels of oil and 416 barrels of water, the fluid level was 1950 feet below the surface.
  - b. On January 29, when the daily producing rate was 276 barrels of oil and 451 barrels of water, the fluid level was 2651 feet.
8. During its first 23 days on production, Well No. 4 produced 5817 barrels of oil, about 2500 barrels more than its allowable.
9. Requiring Well No. 4 to stay within its current daily oil limit of 142 barrels will not increase its ultimate oil recovery.

10. Requiring the well to make up overproduction is not necessary to protect correlative rights.

**CONCLUSIONS OF LAW**

1. Proper notice was given as required by statute.
2. All things have been done or occurred to give the Railroad Commission jurisdiction to resolve this matter.
3. The requested increase in oil allowable for the J.M White Lease Well No. 4 will not cause waste and will protect correlative rights within the field.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiner recommends that the Hunt Oil Company J.M. White Lease, Well No. 4, Block A-34 (Glorieta) Field be allowed to produce up to 270 barrels of oil per day. All overproduction for this well should be canceled.

Respectfully submitted,

Margaret Allen  
Technical Hearings Examiner

Date of Commission Action: February 22nd, 2001

Exhibits

1. Map
2. Proration schedule
3. Log
4. Production plot of the field production
5. Production tabulation of the field production
6. Hunt Oil ledger
7. Cumulative field production by lease
8. Daily producing rates of Well No. 4
9. Graph of Well No. 4 production