



# RAILROAD COMMISSION OF TEXAS

## OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 10-0246854

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THE APPLICATION OF RANGE PRODUCTION CO. TO CONSIDER NEW FIELD DESIGNATION AND FIELD RULES FOR THE (PROPOSED) COURSON RANCH (WOLFCAMP) FIELD, ROBERTS COUNTY, TEXAS

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Heard by: Donna K. Chandler on April 24, 2006

Appearances:

Representing:

Dick Schmidt

Range Production Co.

### EXAMINER'S REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Range Production Co. requests that a new field designation called the Courson Ranch (Wolfcamp) Field be approved for its Courson Ranch S PA-11 Well No. 1-7. Range also requests that the following rules be adopted for the Courson Ranch (Wolfcamp) Field:

1. Designation of the field as the correlative interval from 3,470 feet to 4,120 feet as shown on the log of the Courson Ranch S PA-11 Well No. 1-7;
2. Allocation based on 95% potential and 5% per well.

There were no protests to this application and the examiner recommends approval of the new field designation and field rules.

#### DISCUSSION OF EVIDENCE

Range Production Company completed its Courson Ranch S PA-11 Well No. 1-7 in June 2005. The well had been drilled to 11,602 feet and was tested at several deep intervals. The well was plugged back to 4,700 feet and has two sets of perforations in the Wolfcamp between 3,584 feet and 4,080 feet. On initial test, the well produced at a rate of 10 BOPD, 58 MCFD and 36 BWPD on rod pump. The well continues to produce 15-20 BOPD. Range has completed Well Nos. 3-7 and 4-7 on the lease and will transfer these wells into the new field.

The new field designation should be approved for the Courson Ranch S PA-11 Well No. 1-7. There are 16 wells within a 2 ½ mile radius of the No. 1-7 well. All of the other wells are completed in intervals at least 2,000 feet deeper than the three completions by Range on the Courson Ranch S PA-11 lease. The nearest comparable production is approximately 3.8 miles to the north in the Alpar Pearson (Brown Dolomite) Field.

Range requests that the entire correlative interval between 3,470 and 4,120 feet in the Courson Ranch S PA-11 Well No. 1-7 be considered a single field. This interval includes several sands within the Wolfcamp. Separate completions in the intervals would not be commercial.

State statutes require that a two factor allocation formula be adopted for the proposed field designation to be considered a single field. Range requests that allocation be based on 95% potential and 5% per well for the field.

#### FINDINGS OF FACT

1. Notice of this hearing was given to all persons entitled to notice at least ten days prior to the date of hearing.
2. Range Production Co. completed its Courson Ranch S PA-11 Well No. 1-7 in June 2005 with perforations in two Wolfcamp intervals between 3,584 feet and 4,080 feet. On initial test, the well produced at a rate of 10 BOPD, 58 MCFD and 36 BWPD on rod pump.
3. Two other wells, the Courson Ranch S PA-11 Nos. 3-7 and 4-7, have recently been completed on the Courson Ranch S PA-11 lease and will be placed in the new field.
4. The Courson Ranch S PA-11 Well No. 1-7 is entitled to a new field designation because there is no comparable production within a 2 ½ mile radius of the subject well, except for the recently drilled Nos. 3-7 and 4-7.
5. The entire correlative interval from 3,470 feet to 4,210 feet as shown on the log of the Courson Ranch S PA-11 Well No. 1-7 should be designated as the Courson Ranch (Wolfcamp) Field.
6. Allocation based on 95% potential and 5% per well will protect correlative rights and meets statutory requirements for combining multiple productive zones into a single field.

#### CONCLUSIONS OF LAW

1. Proper notice of this hearing was issued.

2. All things have been accomplished or have occurred to give the Commission jurisdiction in this matter.
3. Approval of the requested new field designation and adoption of field rules will prevent waste, protect correlative rights and promote the orderly development of the field.

RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends approval of the new field designation and adoption of field rules for the Courson Ranch (Wolfcamp) Field.

Respectfully submitted,



Donna K. Chandler  
Technical Examiner