**OIL AND GAS DOCKET NO. 01-0262123**

---

**THE APPLICATION OF ATASCOSA EXPLORATION, LLC TO ADOPT FIELD RULES FOR THE GALBA (BARTOSH) FIELD, ATASCOSA COUNTY, TEXAS**

---

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

**Hearing Date:** July 9, 2009

| **Appearances:** | **Representing:** |
|---|---|
| Gene Day | Atascosa Exploration, LLC |
| J.H. Ashford, Jr. P.E. | |
| Phil McCool | |

## EXAMINER'S REPORT AND RECOMMENDATION

## STATEMENT OF THE CASE

Field rules (Statewide Rules) for the Galba (Bartosh) Field are summarized as follows:

1. 467'-1,200' well spacing;

2. 40 acre oil units with 20 acre tolerance;

3. Allocation based on 100% per well.

Atascosa Exploration, LLC requests that field rules be adopted as follows :

1. Designation of the field as the correlative interval from 2,996 feet to 3,090 feet as shown on the Triple Combo Log of the Atascosa Exploration LLC's Cindy Bartlett No. 1;

2. 233'-467' well spacing;
3. 10 acre oil units, maximum diagonal of 1,100 feet, 5 acre tolerance;

4. Allocation based on 100% acreage.

This application was unprotested and the examiner recommends that the field rules for the Galba (Bartosh) Field be adopted as requested.

## DISCUSSION OF EVIDENCE

The Galba (Bartosh) Field was discovered in 1958 at a depth of 3,050 feet. Cumulative production from the field is approximately 26,253 BO. There are currently four pumping wells in the field, in April 09 there were only two wells. There are no other operators in the field.

Atascosa Exploration recently completed the Cindy Bartlett No. 2 and the Mary Ridgeway No.1. The Cindy Bartlett No. 2 had an initial potential of 42 BOPD, 1 MCFG and 36 BWPD. The Mary Ridgeway No.1 was being tested at the time of the hearing. The drainage radius calculation demonstrate the need for smaller drilling units. Atascosa provided drainage calculations for the Helen Walton Well No. 1. The estimated drainage area for the well was 4.2 acres. These calculations are based on a porosity of 30.7%, water saturation of 38.5%, net pay thickness of 10.5 feet and a recovery factor of 35%. The estimated ultimate recovery for the well is 13,712 BO. The well has a high recovery factor due to the reservoir having a substantial water drive.

The wells are completed in the Bartosh sands that lie within the Middle Wilcox sands. The field should be designated as the correlative interval from 2,996 feet to 3,090 feet as shown on the Triple Combo Log of the Atascosa Exploration LLC's Cindy Bartlett No. 1 as this interval includes the entire Bartosh sands. The Bartosh sands are composed of three sand members the "A", "B" and "C: sands. The "A" sand contains small amounts of oil and is only productive in one well. The "B" sand is the main productive sand. The "C" sand is wet and only contains minor amounts of oil. The "B" and "C" sands have strong water drives. The productive reservoir is small, about 31 acres in size and is fault trapped between several faults. The 233'/467' spacing will allow Atascosa to drill additional wells in optimum locations between faults and away from the oil/water contacts. The additional wells are needed to effectively drain the remaining oil reserves.

## 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. Statewide field rules for the Galba (Bartosh) Field provide for 467'-1,200' well spacing, 40 acre oil units and allocation based on 100% per well.

3. The Galba (Bartosh) Field was discovered in 1958 at a depth of 3,050 feet. Cumulative production from the field is approximately 26,253 BO.

4. Atascosa Exploration recently completed the Cindy Bartlett No. 2 and the Mary Ridgeway No.1. The Cindy Bartlett No. 2 had an initial potential of 42 BOPD, 1 MCFG and 36 BWPD.

5. The Bartosh sands are composed of three sand members the “A”, “B” and “C: sands. The Galba (Bartosh) Field should be designated as the entire correlative interval between 2,996 feet to 3,090 feet as shown on the Triple Combo Log of the Atascosa Exploration LLC’s Cindy Bartlett No. 1.

7. The Galba (Bartosh) Field is a Middle Wilcox sand reservoir that is fault trapped and is approximately 31 acres in size.

8. A density rule providing for 10 acre units is appropriate for the field. The calculated drainage area for the Atascosa’s, Helen Walton Well No, 1, is about 4.2 acres based on 13,712 BO estimated ultimate recovery.

9. The proposed 233'-467' well spacing is standard spacing for 10 acres units.

## 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. Adopting field rules for the Galba (Bartosh) Field is necessary to prevent waste and protect correlative rights.

## RECOMMENDATION

Based on the above findings and conclusions of law, the examiner recommends that field rules for the Galba (Bartosh) Field be adopted to provide for 10 acre units and 233'-467' well spacing.

Respectfully submitted,

Andres J. Trevino, P.E.
Technical Examiner