

**THE APPLICATION OF CORKRAN ENERGY, LP TO ADOPT FIELD RULES FOR THE DICK RICHARDSON (CAPPS LIME) FIELD, RUNNELS COUNTY, TEXAS**

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**Heard by:** Andres J. Trevino, P.E. on September 29, 2008

**Appearances:**

**Representing:**

Brian R. Sullivan, P.E., Atty  
Kerry A. Pollard, P.E.  
Mitchell Honeycutt

Corkran Energy, LP.

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

The Dick Richardson (Capps Lime) Field currently operates under Statewide rules. Corkran Energy, LP. requests that the following rules be adopted for the field :

1. 330' - 330' well spacing and 0 feet between vertical and horizontal wells, 40 acre standard drilling units.

This application was unopposed and the examiner recommends that the field rules for the Dick Richardson (Capps Lime) Field be adopted as proposed by Corkran Energy, LP.

**DISCUSSION OF EVIDENCE**

The Dick Richardson (Capps Lime) Field was discovered as an oil field in February 1962. A total of eight wells have been drilled in the field which have produced 228,326 BO. The field became inactive in 1984 when the last well was plugged. There are currently no active oil wells in the field on the proration schedule. The field currently operates under Statewide Rules.

Corkran Energy is reactivating this abandoned oil field by drilling horizontal wells. It has drilled one horizontal well (Blackwood 1H) in May 2008. Corkran Energy believes additional oil reserves can be recovered by horizontal drilling. Amending the field rules to allow well spacing of 330'-330' and 0' between vertical and horizontal wells will allow flexibility in placing horizontal wells.

Corkran Energy believes the Capps lime contains porosity "pods" which vary in size through out the formation. The variable cumulative production from individual wells indicate the pods vary in size. Individual wells had cumulative production as low as 1,647 BO to as high as 55,600 BO. The Capps Lime is similar to the Gardner Lime found approximately 300 feet below the Capps Lime. The Blackwood 1H was initially drilled vertically to the Gardner

Lime. The Blackwood 1H was drilled 180 feet to the west of the Blackwood 1A. The Blackwood 1A was completed and produced out of the Gardner Lime. The Blackwood 1H encountered virgin pressures of 1,350 to 1,380 psi in both the Capps & Gardner Lime. With a well only 180 feet away and having drained the Gardner Lime, encountering virgin pressures indicates the Blackwood 1A had a very limited drainage area.

The horizontal drainholes will maximize reservoir contact and will penetrate multiple porosity pods within the Capps Lime Formation which is heterogeneous, both vertically and horizontally and will drain the untapped porosity pods. Corkran Energy may reenter existing plugged wells and complete horizontally in the Capps Lime or other formations which are productive in the area.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all persons entitled to notice and no protests were received.
2. The Dick Richardson (Capps Lime) Field was discovered in February 1962. A total of eight wells have been drilled in the field which have produced 228,326 BO. The field became inactive in 1984 when the last well was plugged. The field operates under Statewide Rules.
3. There are currently no wells in the field. Corkran Energy has drilled one horizontal well in May 2008.
4. The Capps Lime Formation is a mature, oil reservoir that is heterogeneous, both vertically and horizontally.
5. In order to efficiently and effectively drain the reservoir, horizontal wells must be drilled.
  - a. Estimated ultimate recoveries for vertical oil wells range from 1,647 BO to 55,600 BO.
  - b. Corkran Energy proposes to drill horizontal wells to revitalize the abandoned oil field which last produced in 1984.
  - c. Horizontal drainholes will maximize reservoir contact and will penetrate multiple porosity pods within the Capps Lime Formation which is heterogeneous, both vertically and horizontally.
  - d. Virgin pressures were encountered in the Capps Lime and Gardner Lime formations in the Blackwood 1H well.
6. Well spacing a minimum of 330 feet from lease lines, 330 feet between

horizontal wells and 0 feet between vertical and horizontal wells will provide flexibility in developing this field using horizontal drainhole wells.

**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 the proposed field rules for the Dick Richardson (Capps Lime) Field is necessary to prevent waste, protect correlative rights and promote development of the field.

**RECOMMENDATION**

Based on the above findings and conclusions of law, the examiner recommends that the Commission adopt the field rules for the Dick Richardson (Capps Lime) Field as proposed by Corkran Energy, LP.

Respectfully submitted,

Andres J. Trevino, P.E.  
Technical Examiner