



RAILROAD COMMISSION OF TEXAS

OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 8A-0255757

THE APPLICATION OF VOSKAMP EXPLORATION, INC. TO AMEND THE FIELD RULES FOR THE WASSON (WICHITA ALBANY) FIELD, YOAKUM COUNTY, TEXAS

Heard by: Richard D. Atkins, P.E.

Date of Hearing: March 31, 2008

Appearances:

Representing:

Thomas Voskamp
Bruce N. Shepherd

Voskamp Exploration, Inc.

EXAMINER'S REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Field rules for the Wasson (Wichita Albany) Field were adopted on November 8, 1961 in Docket No. 8-47,251. The rules are summarized as follows:

1. 560'-1,700' well spacing;
2. 80 acre oil units with a maximum diagonal of 3,250 feet;
3. 100% acreage allocation.

Voskamp Exploration, Inc. requests that the field rules be amended to provide for 467'-933' well spacing and 40 acre oil units with a maximum diagonal of 2,100 feet. This application was unopposed and the examiner recommends that the field rules for the Wasson (Wichita Albany) Field be amended as proposed by Voskamp.

DISCUSSION OF EVIDENCE

The Wasson (Wichita Albany) Field was discovered in August 1960. The field was developed with 60 producing wells on 80 acre spacing over approximately 4 years. There are currently 23 oil wells carried on the proration schedule and cumulative production from the field is over 12 million BO and 6 BCFG.

The top of the Wichita Albany pay is found at an average depth of 8200' and typical completions are selected perms and large volume acid jobs. The Wichita Albany field is composed of a highly variable section of fractured and vuggy dolomite with a small matrix porosity ranging from 2% to 5%. Declining fluid rates and low water cuts indicate solution gas drive as the primary drive mechanism for the reservoir.

The XTO Randall lease (Section 833) was originally developed with 4 producers drilled by the Humble Co. in the 1960's. Production was excellent with the lease making 621,000 BO before it was plugged out in the late 1970's. Exxon re-drilled the lease in the 90's with the wells presently producing 20 to 30 BOPD each adding 180,000 BO to date to the lease cumulative production. The re-drilled wells were located at 40 acre infill locations.

Voskamp Exploration has had similar results at its Elliott lease located in the SW/4 of Section 832. The original well drilled on this lease was completed by Bonanza Oil Co. and produced a total of 146,000 BO before it was plugged. Voskamp re-drilled the lease in 1991 at a 40 acre location. To date the lease has produced an additional 102,000 BO and the producing well is presently averaging 8 BOPD.

Recently, Voskamp Exploration, Inc. has drilled 4 replacement wells that would be considered 40 acre offset locations. Two of these wells were on the Dowell "A" lease and two were on the Stevens lease. The new wells have averaged in excess of 25 BOPD and decline curve analysis shows an average recovery of 76,000 BO for each 40 acre location.

The performance of the above leases clearly demonstrate the viability of 40 acre spacing. In addition, there are five other Wichita Albany fields in the area that already have 40 acre spacing field rules.

FINDINGS OF FACT

1. Notice of this hearing was given to all persons entitled to notice and no protests were received.
2. The Wasson (Wichita Albany) Field was discovered in 1960 at an average depth of 8,200 feet. Cumulative production from the field is over 12 million BO and 6 BCFG.
3. Field rules for the Wasson (Wichita Albany) Field were adopted on November 8, 1961 in Docket No. 8-47,251. The rules provide for 560'-1,700' well spacing, 80 acre oil units with a maximum diagonal of 3,250 feet and 100% acreage allocation.
4. There are currently 23 oil wells carried on the proration schedule.
5. The Wichita Albany pay is composed of a highly variable section of fractured

and vuggy dolomite with a small matrix porosity ranging from 2% to 5%.

5. Declining fluid rates and low water cuts indicate solution gas drive as the primary drive mechanism for the reservoir.
6. Replacement wells have been drilled on several leases in the field that would be considered 40 acre offset locations.
7. The new wells have averaged in excess of 25 BOPD and decline curve analysis shows an average recovery of 76,000 BO for each 40 acre location.
8. This infill well performance clearly demonstrate the viability of 40 acre spacing.
9. There are five other Wichita Albany fields in the area that already have 40 acre spacing field rules.

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. Amending the field rules for the Wasson (Wichita Albany) Field as proposed by Voskamp Exploration, Inc. 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 field rules for the Wasson (Wichita Albany) Field be amended as proposed by Voskamp Exploration, Inc.

Respectfully submitted,



Richard D. Atkins, P.E.

Technical Examiner