



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 06-0308944**

**THE APPLICATION OF EREBOR RESOURCES, LLC TO CONSOLIDATE THE MALAPAX (HILL) FIELD WITH THE REKLAW (RODESSA) FIELD AND TO AMEND THE PERMANENT FIELD RULES FOR THE REKLAW (RODESSA) FIELD CHEROKEE COUNTY, TEXAS**

**HEARD BY:** Richard Eyster, P.G. – Technical Examiner  
Kristi M. Reeve – Administrative Law Judge

**HEARING DATE:** April 20, 2018

**APPEARANCES:** **REPRESENTING:**

**APPLICANT:** Erebor Resources, LLC

Dale Miller

### **EXAMINERS' REPORT AND RECOMMENDATION**

#### **STATEMENT OF THE CASE**

Erebor Resources, LLC (Erebor) seeks to consolidate the Malapax (Hill) Field with the Reklaw (Rodessa) Field and to amend the permanent field rules for the Reklaw (Rodessa) Field, Cherokee County, Texas.

The current field rules for the Reklaw Formation dated 08/01/2011, Docket No. 06-0269653 are:

1. Designation of the field as the correlative interval from 7,778 feet to 7,794 feet as shown on the log of the Reklaw GU 4 Well No. 11;
2. 467'-933' well spacing;
3. 640 acre units with optional 40 acre units, with 2,100 diagonal;
4. Allocation based on 100% acreage; continued AOF.

The current field rules for the Malapax(Hill) Formation are statewide rules.

In this application, Erebor requests the following amendments to the permanent field rules:

1. Designation of the field as the correlative interval from 7,718 feet to 7,996 feet as shown on the log of the Reklaw GU 4 Well No. 11;
2. For the determination of acreage credit in this field, operators shall file for each well in this field a Form P-16 Data Sheet Acreage Designation with a plat of the entire lease or unit.

Notice of the application was provided to all operators in the Malapax (Hill) Field and the Reklaw (Rodessa) Field. The application is unopposed and the Technical Examiner and Administrative Law Judge (collectively, "Examiners") recommend approval of the application.

### **DISCUSSION OF THE EVIDENCE**

The Reklaw (Rodessa) Field was discovered in July 1964 upon completion of the Reklaw GU 2 No. 1 by Exxon Corp. There are currently six producing wells in the Reklaw. The cumulative production from July 1964 through December 2017 is 10,595,489 mcf of gas and 623 bbls of condensate. The Malapax (Hill) field was discovered in February 2004. There are currently two producing wells in the Malapax (Hill ) Field with a cumulative production from February 2004 through December 2107 is 69,804 mcf of gas and 56 bbls of condensate. Erebor has entered evidence into the record that shows that the two wells in the Malapax Field are producing from 7,785- 7,788 feet in the Wippecht GU1 No. 5U well and from 7,797- 7,787 feet in the South Reklaw GU 2B No. 10 well. The top of the perforations in the six producing wells in the Reklaw Field is 7,802 feet in the M.S Fitch GU 1 Well No. 1, and the deepest perforations are 7,828 feet in the Reklaw Gas Unit 4, Well No. 11. Erebor contends that the two fields produce from basically the same interval and combining the two fields with the increased correlative interval from 7,718 feet to 7,996 feet will promote the development of the field, prevent waste and protect correlative rights.

Erebor agreed that, pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order shall be effective on the date a Master Order relating to this Final Order is signed.

### **FINDINGS OF FACT**

1. Notice of this hearing was provided to all operators in the field at least ten (10) days prior to the date of the hearing and no protests were received.
2. The Reklaw (Rodessa) Field was discovered in 1964 upon completion of the Reklaw GU 2 No. 1 by Exxon Corp.

3. The Malapax (Hill) Field was approved as a new field on 04/29/2004.
4. Consolidating the Malapax (Hill) Field with the Reklaw (Rodessa) Field and amending the permanent field rules for the Reklaw (Rodessa) Field will prevent waste and protect correlative rights.
5. Increasing the correlative interval from from 7,718 feet to 7,996 feet will facilitate the further development of the field
6. Erebor agreed, that, pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order shall be effective on the date a Master Order relating to this Final Order is signed.

### CONCLUSIONS OF LAW

1. Proper notice was issued as required by all applicable statutes and regulatory codes.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. Amending the field rules for the Reklaw (Rodessa) Field will prevent waste.
4. Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the consent of the applicants, this Final Order is effective when a Master Order relating to this Final Order is signed on June 5, 2018.

### EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission amend the field rules for the Reklaw (Rodessa) Field, Gaines County, Texas.

Respectfully submitted,



Richard Eyster, P.G.  
Technical Examiner



Kristi M. Reeve  
Administrative Law Judge