



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0311844

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THE APPLICATION OF RING ENERGY INC. TO AMEND THE FIELD RULES FOR THE MATTHEWS (BRUSHY CANYON) FIELD, CULBERSON COUNTY, TEXAS

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**HEARD BY:** Richard Eyster, P.G. – Technical Examiner  
Clayton J. Hoover – Administrative Law Judge

**HEARING DATE:** August 6, 2018

**RECORD CLOSED:** August 9, 2018.

**CONFERENCE DATE:** October 16, 2018

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

**APPLICANT:** Ring Energy Inc.

Kelli Kenney  
Hollie Lamb

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Ring Energy, Inc. (Ring) seeks to amend field rules for the Matthews (Brushy Canyon) Field in Culberson County, Texas. Field rules for the Matthews (Brushy Canyon) Field were adopted on November 26, 2003. The field is currently operating under Statewide Rules. Ring requests the following amendments to the field rules:

**Rule 1:** The entire correlative interval from 4569 feet to 6096 feet as shown on the log of the Catclaw State Waterflood Unit, Well No. 17A (API No. 42-109-32462), Culberson County, Texas shall be designated as a single reservoir for proration purposes and be designated as the Matthews (Brushy Canyon) Field.

- Rule 2.** 467 foot lease line spacing, 0 foot between well spacing. Special provisions for "take points" in horizontal drainhole wells, 200' lease line spacing for first and last take points and 467 feet perpendicular spacing.
- Rule 3.** 80 acre proration units. Additional acreage assigned to horizontal drainhole wells pursuant to Statewide Rule 86.

Notice of the application was provided to all operators in the Matthews (Brushy Canyon) Field. Ring is the only operator in the 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 Matthews (Brushy Canyon) Field was discovered on November 26, 2003, in Reeves County, Texas, at a depth of 6,032 feet. The field was originally developed with vertical wells. Cumulative production from the field is 48,792 bbls of oil and 142,483 mcf/d of casinghead gas. There are currently no producing wells in this field and there has been no production since December 2007. The proposed correlative interval for the field extends from a depth of 4,569 feet to 6,096 feet, for a total interval of 1,527 feet. Ring asserts that stacked lateral wells are necessary for the efficient development of the field. Ring has entered evidence in the record showing that the proposed field rules will promote the efficient development of the field, prevent waste and protect correlative rights.

Ring 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 Matthews (Brushy Canyon) Field was discovered on November 26, 2003, in Reeves County, Texas, at a depth of 6,032 feet.
3. The field was originally developed with vertical wells.
4. Stacked lateral wells are necessary for the efficient development of the field
5. The changes will prevent waste and protect correlative rights.
6. The proposed correlative interval for the field extends from a depth of 4,569 feet to 6,096 feet, for a total interval of 1,527 feet.

7. Provisions for stacked lateral wells will promote the efficient development of the field.
8. Ring 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 Matthews (Brushy Canyon) Field will prevent waste and protect correlative rights.
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 October 10, 2017.

**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 Matthews (Brushy Canyon) Field.

Respectfully submitted,



Richard Eyster, P.G.  
Technical Examiner



Clayton Hoover  
Administrative Law Judge