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# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 04-0284140

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THE APPLICATION OF EOG RESOURCES, INC. TO CONSOLIDATE THE T-C-B, E. (VICKSBURG, LOWER) FIELD INTO THE T-C-B (VXBG CONSOLIDATED) FIELD, KLEBERG COUNTY, TEXAS

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HEARD BY: Andres J. Trevino P.E. – Technical Examiner  
Terry Johnson – Legal Examiner

REPORT PREPARED BY: Paul Dubois – Technical Examiner

HEARING DATE: July 31, 2013

**APPLICANT:**

Doug Dashiell  
Gary Travis

**REPRESENTING:**

EOG Resources, Inc.

### EXAMINER'S REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

EOG Resources, Inc. (EOG) requests that the T-C-B, E. (Vicksburg, Lower) Field be consolidated into the T-C-B (VXBG Consolidated) Field in Kleberg County, Texas. This application was not protested and the examiners recommend approval of EOG's request for field consolidation.

#### DISCUSSION OF THE EVIDENCE

EOG seeks to consolidate two Vicksburg fields in Kleberg County. Both of these fields are the products of earlier consolidations. Generally speaking, EOG believes that the correlative interval of the reservoirs represented by the T-C-B, E. (Vicksburg, Lower) Field are wholly contained within the correlative interval of the reservoirs represented by T-C-B (VXBG Consolidated) Field. The name "T-C-B." was shortened from "Tijerina-Canales-Blucher." The fields are currently adjacent to one another. Consolidating the fields will facilitate development by easing administrative complexity. EOG does not request any field rule changes.

The T-C-B, E. (Vicksburg, Lower) Field was created by consolidation on May 16,

1994. It is a non-associated gas field. In 1999 the Commission established a correlative interval of 9,532 feet to 12,218 feet for the field. The field rules indicate 467 feet lease line and 1,200 feet between well spacing, 40 acre proration units with 4 tolerance acres. The current gas proration schedule identifies one producing and one shut-in well. EOG currently operates four wells in the field, and two more will be fractured soon. Completion papers for some of these wells are still being processed.

The T-C-B (VXBG Consolidated) Field was created in 2011 by the consolidation of the T.-C.-B. (LWR FRIO-UPVXBG) and the T-C-B (Lower Vicksburg) Fields, and a correlative interval was established from 7,890 feet to 12,625 feet. The T-C-B (VXBG Consolidated) Field is classified as an associated gas field with salvage status and a suspended allocation formula. The field rules indicate 467 feet lease line and no (zero feet) between well spacing, 80 acre standard proration units with 8 tolerance acres and 40 acre optional units. There are 39 producing wells and six operators carried on the gas proration schedule. There are many more plugged or inactive wells in the field, some dating back to the early 1960s. The field has produced a cumulative 612 BCF gas and 6,597 MBO. There are currently 56 active wells with three completions pending.

EOG is developing the area currently containing wells completed in the T-C-B, E. (Vicksburg, Lower) Field. This field interval correlates to the lower half to two-thirds of the T-C-B (VXBG Consolidated) Field. In addition, EOG has identified development targets above the correlative interval of the T-C-B, E. (Vicksburg, Lower) Field, which would be within the correlative interval of the T-C-B (VXBG Consolidated) Field. EOG currently applies for exceptions to Statewide Rule 10 allowing downhole commingling of multiple fields in this area.

The base of both of the existing Vicksburg fields is at the Eocene contact. There are no significant dividing faults separating the two field areas. There is some fracturing throughout the Vicksburg Consolidated field area. Both fields are marine deltaic sands. EOG believes that as development of the fields continues, consolidating the fields will promote the orderly development of the consolidated field by avoiding the need for Rule 10 exceptions and to simplify field administration.

### **FINDINGS OF FACT**

1. Notice of this hearing was sent to all persons legally entitled to notice at least ten days prior to the date of hearing.
2. The T-C-B, E. (Vicksburg, Lower) Field has a correlative interval of 9,532 feet to 12,218 feet.
3. The T-C-B (VXBG Consolidated) Field has a correlative interval from 7,890 feet to 12,62 feet.

4. The base of both of the existing Vicksburg fields is at the Eocene contact.
5. The correlative interval of the reservoirs represented by the T-C-B, E. (Vicksburg, Lower) Field are wholly contained within the correlative interval of the reservoirs represented by T-C-B (VXBG Consolidated) Field.
6. EOG currently operates four wells in the field T-C-B, E. (Vicksburg, Lower) Field, and two more will be fractured soon.
7. EOG currently applies for exceptions to Statewide Rule 10 allowing downhole commingling of multiple fields in this area.
8. Consolidating the fields will promote the orderly development of the consolidated field by avoiding the need for Rule 10 exceptions and to simplify field administration.

**CONCLUSIONS OF LAW**

1. Proper notice of this hearing was given to all persons legally entitled to notice.
2. All things have occurred or been accomplished to give the Railroad Commission jurisdiction in this matter.
3. Consolidation of the fields as proposed by EOG Resources, Inc. will promote the orderly development of the field.

**EXAMINER'S RECOMMENDATION**

Based on the above findings and conclusions, the examiners recommend that the the T-C-B, E. (Vicksburg, Lower) Field be consolidated into the T-C-B (VXBG Consolidated) Field in Kleburg County, Texas, as requested by EOG.

Respectfully submitted,



Paul Dubois  
Technical Examiner



Terry Johnson  
Hearings Examiner