



## RAILROAD COMMISSION OF TEXAS

### HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 08-0296998**

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**THE APPLICATION OF CIMAREX ENERGY COMPANY TO AMEND FIELD RULES  
FOR THE FORD, WEST (WOLFCAMP) FIELD, CULBERSON COUNTY, TEXAS**

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**HEARD BY:** Peggy Laird, P.G. – Technical Examiner  
Marshall Enquist – Administrative Law Judge

**HEARING DATE:** August 5, 2015

**CONFERENCE DATE:** November 17, 2015

**APPEARANCES:**

**REPRESENTING:**

Kelli Kenney  
Michael McElroy  
Rita Behm  
Dave Rittersbacher

Cimarex Energy Company

**EXAMINER'S REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Cimarex Energy Company ("Cimarex") seeks to amend field rules for the Ford, West (Wolfcamp) Field (subject "Field"), Culberson County, Texas. Cimarex requests the following amendments to the existing provisions in the field rules for horizontal wells, including: (1) 330-foot spacing from any take point to any point on any property line, lease line or subdivision line; (2) reducing between well spacing from 933 feet to 330 feet on the same lease; and (3) applying the 50-foot box rule to between well spacing and lease line spacing. For vertical wells, Cimarex requests amending the lease line well spacing to 330 feet from any property, lease or subdivision line, and reducing between well spacing from 933 feet to 330 feet on the same lease. Cimarex also requests adopting optional gas proration units of 80 acres plus 10% tolerance.

All operators in the Field were notified, and no protests were received. Dan Gutierrez representing the Texas General Land Office appeared at the Hearing as an observer. The Examiners recommend that field rules be amended for the Ford, West (Wolfcamp) Field, Culberson County, Texas, as requested by Cimarex.



### DISCUSSION OF EVIDENCE

The Ford, West (Wolfcamp) Field is located south of the Texas-New Mexico state line in Culberson and Reeves Counties, Texas. Most of the field development has been in northeast Culberson County with some expansion into northern Reeves County. According to August 2015 proration schedules, there are eighty gas wells and five oil wells in the Field.

The Ford, West (Wolfcamp) Field includes a 2,407 foot thick correlative interval. Cimarex has targeted 1,500 feet of the reservoir for development within which Cimarex has identified four landing zones (A, C, typical D, and alternate D) targeted for development. Amendments to the field rules for spacing requirements are necessary to fully develop the targeted zones in the most efficient manner.

The natural horizontal and induced fractures are oriented in an east-west direction. The majority of the wells are drilled in a north-south orientation to better access the reservoir which allows for greater production. Cimarex reported there are no barriers for fracturing between the targeted zones.

Cimarex reports that determining the amount of overlap and communication between wells is critical to production and efficient recovery of resources. Cimarex identified three areas in the Field where they conducted studies to determine spacing for most efficient production of the Field. Wells were completed in 2013-2015 in the same typical "D" landing zone using greater amounts of fluid and proppant than wells completed in 2012. As part of the studies, more fractures were added between existing sets, increasing stages and shortening distances between fractures. Cimarex considers that more effective drainage and recovery is occurring within the same box than before. Drainage area of about 80 to 90 acres occurred between the wells. Cimarex is attempting to maximize their drilling program and requests 80 acre options to continue their studies with more intense drilling to maximize recovery and prevent waste.

Cimarex also requests flexibility in the 50-foot box rule to include between well spacing. Cimarex plans to stagger wells in future drilling, and will continue testing to determine appropriate vertical displacement. The requested amendments to the rules will prevent waste and allow Cimarex to continue their studies.

### FINDINGS OF FACT

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing.
2. The Ford, West (Wolfcamp) Field is located south of the Texas-New Mexico state line in Culberson and Reeves Counties, Texas.

3. The Ford, West (Wolfcamp) Field includes a 2,407 foot thick correlative interval.
  - a. According to August 2015 proration schedules, there are eighty gas wells and five oil wells in the Field.
  - b. Within this interval there are several zones targeted for horizontal development.
  - c. The natural horizontal and induced fractures are oriented in an east-west direction.
  - d. The majority of the wells are drilled in a north-south orientation to better access the reservoir which allows for greater production.
4. Based on results of studies conducted by Cimarex, drainage areas of about 80 to 90 acres occurred between the wells.
5. Cimarex plans to continue studies to determine appropriate vertical displacement for staggered wells.

**CONCLUSIONS OF LAW**

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 1.45
3. The proposed field rules will prevent waste, protect correlative rights, and satisfy statutory requirements.

**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the field rules for the Ford, West (Wolfcamp) Field be amended as requested by Cimarex.

Respectfully submitted,



Peggy Laird, P.G.  
Technical Examiner



Marshall Enquist  
Administrative Law Judge