



Joe Fisher January 9, 2014

Dallas Operator Targeting Naturally-Fractured Buda Limestone

Dallas-based Gulf Coast Western LLC has secured 3,500 acres in Wilson County, TX, where it intends to target the “revitalized” Buda Limestone Formation with 10 horizontal wells initially. The naturally fractured Buda is just below the Eagle Ford Shale and is seen as a lower-cost oil opportunity than the Eagle Ford.

“We believe there is tremendous opportunity in this play, given the fact that it is a proven trend and there is not the need to incur the high cost of fracturing the wells as is necessary in the Eagle Ford,” said CEO Matthew Fleeger. “Additionally, the horizontal wells currently in production in this area are experiencing impressive production rates of up to 1,500 boe/d, which has spurred significant interest in drilling in this area.”

Fleeger said Gulf Coast Western is among a handful of companies to recognize the “revitalized potential” of the formation early on and is “fortunate to secure a large acreage position in the play.”

The company expects to begin its Buda drilling program during the first quarter, with plans to develop the acreage it has leased throughout the year. Gulf Coast Western plans to use Kaler Energy Corp. of San Antonio as the operator.

Besides Texas, Gulf Coast Western is active in Louisiana, Mississippi, Oklahoma and Colorado.

Another Buda-focused operator, BlackBrush Oil & Gas LP, has more than 33,000 operated and 48,000 nonoperated gross Buda acres in the Pearsall Area. The company’s operated working interest is more than 90% and its nonoperated working interest is 33% where Goodrich Petroleum is the operator as part of a 2010 farm in.

According to its website, BlackBrush drills about 10 Buda wells per year. Offset Buda operators (those with an active lease on an adjoining property) include Marathon Oil Corp., Lucas Energy, Goodrich Petroleum, Dan A. Hughes, Texas American Resources, Burnett Oil Co., EF Energy, and Chesapeake Energy.