Cline Formation: From Page 1A

Bakken fields in North Dakota, and the Eagle Ford in Texas by nearly 50 percent.

Taking into account the projected 200 to 550 depth of the Shale, this would be equivalent to having ten Eagle Ford Shales stacked on top of each other.

The oil to dry gas ratio of the Shale is also garnering attention, with the Shale containing 85 percent oil and liquid rich gas.

When you combine that with the low operating costs it takes to produce the oil in the Basin, about 50 percent less than the Bakken, it is shaping up to be one of the greatest oil and gas booms America has ever seen.

"We are very excited about the Cline," said Andy Coolidge, Devon Energy's vice president for the Permian Basin. "We expect to deliver highly economic and robust production growth."

The Energy Department forecasts that U.S. production of crude and other liquid hydrocarbons, which includes biofuels, will average 11.4 million barrels per day next year.

That would be a record for the U.S. and just below Saudi Arabia's output of 11.6 million barrels. Citibank forecasts U.S. production could reach 13 million to 15 million barrels per day by 2020, helping to make North America "the new Middle East."

The last year the U.S. was the world's largest producer was 2002, after the Saudis drastically cut production because of low oil prices in the aftermath of 9/11. Since then, the Saudis and the Russians have been the world leaders.

The United States, however, will still need to import lots of oil in the years ahead. Americans use 18.7 million barrels per day.

But thanks to the growth in domestic production and the improving fuel efficiency of the nation's cars and trucks, imports could fall by half by the end of the decade.

Other Players in the West Texas Oil Game

According to industry insiders, the following formations will also be huge over the next several years in the oilfield game.

They include:

Peripheral Counties: While interest in the central counties of the Wolfberry, Wolffolk Wolffork, Bone Springs, and Wolfbone has been well publicized, perhaps the most significant areas are the peripheral counties that haven't seen much activity. These are counties, such as Lynn, Terry and Hockley, as well as Lubbock to the north. With all the talk that the Wolfberry might extend all the way up to the Texas Panhandle, leasing activity is gaining steam.

Delaware Basin: The Delaware Basin is by far the most highly sought after acreage in the area. In fact, given the amount of activity, it is difficult to even locate open acreage. Loving, Ward, Winkler and Reeves Counties have had the most promising results to date.

Wolffolk Wolffork Shale: While returns in other areas have been promising, the Wolffolk Wolffork Shale is one play that has come up short. Throughout 2011, there was consistent leasing in Crockett and Pecos to the south. But, the wells that were drilled are proving to be marginal. Adding to the play's trouble, the area primarily produces gas. And, with prices predicted to remain low for the next 2-3 years, it's not likely leasing will continue in the region.

This is an exciting time to be active in a unique region. As a testament to the increased interest, rumor has it there is a six month waiting list for an apartment in Midland/Odessa. And, it looks like activity will continue for the foreseeable future.

Oil and Gas: From Page 1A

Texas' crude oil production figure for September 2012 is 40,307,058 barrels, which is also up from 30,330,018 barrels reported during September 2011.

Texas oil and gas wells produced 529,633,737 Mcf (thousand cubic feet) of gas based upon preliminary production figures for September 2012 up from the September 2011 preliminary gas production total of 527,116,072 Mcf. Texas preliminary September total gas production averaged 17,654,458 Mcf (thousand cubic feet) a day.

Texas production in September 2012 came from 142,859 oil wells and 90,604 gas wells.

The Texas average rig count as of November 2012 was 853, representing about 49 percent of all active land rigs in the United States. In the last 12 months, total Texas reported production was 498 million barrels of oil and 7.2 trillion cubic feet of natural gas.

The Commission's estimated final production for September 2012 is 47,876,723 barrels of crude oil and 509,106,484 Mcf (thousand cubic feet) of gas well gas.

The Commission derives final production numbers by multiplying the preliminary September 2012 production totals of 40,307,058 barrels of crude oil and 436,626,487 Mcf of gas well gas by a production adjustment factor of 1.1878 for crude oil and 1.1660 for gas well gas. (These production totals do not include casinghead gas or condensate.)

Texas natural gas storage reported to the Commission for October 2012 was 454,254,178 Mcf compared to 434,964,586 Mcf in October 2011. The October 2012 gas storage estimate is 457,839,976 Mcf.

The Texas Railroad Commission's Oil and Gas Division set initial December 2012 natural gas production allowables for prorated fields in the state to meet market demand of 10,261,563 Mcf (thousand cubic feet). In setting the initial December 2012 allowables, the Commission used historical production figures from previous months, producers' demand forecasts for the coming month, and adjusted the figures based on well capability. These initial allowables will be adjusted after actual production for December 2012 is reported.

The Commission issued a total of 1,873 original drilling permits in October 2012 compared to 1,771 in October 2011. The October total included 1,686 permits to drill new oil and gas wells, 44 to re-enter existing well bores, and 143 for re-completions. Permits issued in October 2012 included 555 oil, 135 gas, 1,096 oil and gas, 79 injection, one service and seven other permits.

In October 2012, operators reported 1,059 oil, 257 gas, 32 injection and four other completions compared to 704 oil, 229 gas, 22 injection and one other completion in October 2011.

Total well completions for 2012 year to date are 12,188 up from 6,900 recorded during the same period in 2011.

Operators reported 605 holes plugged and two dry holes in October 2012 compared to 863 holes plugged and zero dry holes in October 2011.

News Briefs

Santa to Visit Gaines Co. Library December 12th

Santa Claus is coming to the Gaines County Library in Seminole on Wednesday, December 12, according to officials with the Gaines County Library system.

Santa, according to local officials, is due to be at the facility from 3 to 5:30 p.m.

The Library invites everyone to bring their children to share their Christmas wishes with Santa in a special setting.

Don't forget to bring your cameras to this jolly occasion.

The library is located at 704 Hobbs Highway in Seminole.

For more information call the library at (432) 758-4007.

XABE to Host 'Breakfast with Santa' Event Dec. 8

Members of the Xi Alpha Beta Eta sorority will be hosting a "Breakfast with Santa" event on the morning of Dec. 8.

According to club officials, the breakfast will be held from 9 a.m. until 11 a.m. at the Gaines County Civic Center, located in the 500 block of N.W. 5th St.

The cost of the event is $5 per person.

Have a news brief you need publicized or announced? Let us help!!!
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2 DAY AUCTION

Tuesday & Wednesday, December 4th & 5th , 2012 — Sale Time: 10:00 a.m.

Day 1 Location: Plainview, Texas (Hale County): From Intersection Hwy. 70 & I-27: Go South 1 1/2 Miles on West Service Road.
Day 2 Location: Plainview, Texas (Hale County): 3 1/2 Miles South on I-27 to Exit 45, then 1 Mile Southwest on West Service Road then 1/8 Mile West.

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Due to the death of Mr. Marley, the following will be sold at public auction:

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Community Calendar

Check Dates and Times Below for All Weekly Community Happenings

SUNDAY, December 2

Attend the church of your choice.

MONDAY, December 3

8:00 a.m.-12 noon and 1:00-5:00 p.m.--South Health Clinic, 704 Hobbs Hwy.

9:00-11:30 a.m. and 1:30-3:30 p.m.--Immunization clinic, South Plains Health Department, 704 Hobbs Highway. (Clinic in Seagraves every third Monday, 1:30-3:30 p.m.; open from 8 a.m.-6 p.m. the first Monday and from 7 a.m.-5 p.m. the first Tuesday of each month).

9:00 a.m.--Exercise class, Senior Citizen Center.

6:30 p.m.--Masonic Lodge #957 Meal and Meeting (meeting at 7:30 p.m.), Masonic Lodge...meet 1st Monday of every month.

8:00 -9:00 p.m.--Alcoholics Anonymous, CR 402K, #110.

TUESDAY, December 4

8:00 a.m.-12 noon and 1:00-5:00 p.m.—South Plains Health Clinic, 704 Hobbs Highway.

9:00 a.m.-12 noon—Seagraves shot clinic, Senior Citizen's Center, 1204 Avenue F.

12 noon—Seminole Lions Club, First Presbyterian Church.

1:30-4:00 p.m.--First Monday of the month Adult Learning Center Registration, SE 4th St.

7:00 p.m.--Al-Anon Group, 109 SW Ave G (First Assembly of God Fellowship Hall).

6:00-7:00 p.m.—Young People's Group, Gaines County Rehabilitation Center, 110 Southwest Avenue B.

7:00 p.m.--Al-Anon Group, 110 SW Ave B.

7:00 p.m.—Seminole EMT Volunteer Association. EMS building. (First Tuesday of each month).

7:00 p.m.—Gaines County Committee on People with Disabilities, Seminole City Hall. (First Tuesday of each month).

7:00 p.m.—"Wings of Glory" Chapter of the Christian Motorcycle Association, Thelma's One Stop. (Fourth Tuesday of each month).

7:30 p.m.—Seminole American Legion, Legion Hall, two miles west of Seminole on U.S. 180. (First Tuesday of each month).

WEDNESDAY, December 5

8:00 a.m.-12 noon and 1:00-5:00 p.m.—South Plains Health Clinic, 704 Hobbs Highway.

9:00 a.m.—Exercise class, Senior Citizen's Building.

10:00 a.m.-12 noon—Bob Lewis Mission open, 109 Southwest Avenue B. (Open each Wednesday during the same hours.

8:00 p.m.--Alcoholics Anonymous (Spanish), Community Rehabilitation Center, 110 Southwest Avenue B.

8:00 p.m.—Al-Anon, Community Rehabilitation Center, 110 Southwest Avenue B.

THURSDAY, December 6

8:00 a.m.-12 noon and 1:00-5:00 p.m.—South Plains Health Clinic, 704 Hobbs Highway.

10:00 a.m.--Llano Estacado Underground Water Board Meeting, Llano Estacado Offices.

12 noon—Seminole Rotary Club, First Presbyterian Church.

7:00 p.m.—Alcohol and other drug education group, 110 Southwest Avenue B.

7:00 p.m. (Mountain Time, 8 p.m. Texas Time)—Alzheimer's Disease and Related Demential Disorders Support Group meeting, Columbia Lea Regional Hospital Educational Complex Room, Hobbs. (Last Thursday of each month).

8:00 p.m. (Texas Time)--Gambler's Anonymous, 800 West Bender, Hobbs, N.M., First Assembly of God Church (across from Albertsons).

FRIDAY, December 7

8:00 a.m.-12:30 p.m. and 1:30-3:00 p.m.—South Plains Health Clinic, 704 Hobbs Highway.

9:00 a.m.—Exercise class, Senior Citizen's building.

SATURDAY, December 8

No scheduled activities

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