

**CASE 5881: WESTERN OIL PRODUCERS
INC. FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO**

K.T.

Case Number

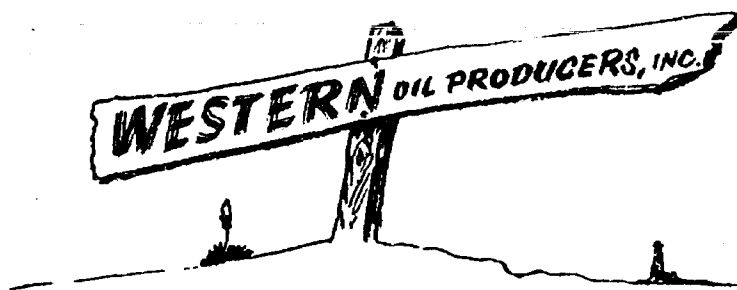
5881

Application

Transcripts

Small Exhibits

ETC.



P. O. Box 2055 • Telephone (505) 623-3131 • Roswell, New Mexico 88201

February 28, 1977

Union Oil Company of California
P.O. Box 671
Midland, Texas 79702
ATTENTION: Bob Lockhart

*File Case
5881*

Re: Approval Unorthodox location
SW/4 SW/4 Sec. 28, T-16S, R-33E
Lea County, New Mexico

Gentlemen:

We have an unorthodox location for a gas well located 660' FSL & 660' FWL, Sec. 28, T-16S, R-33E, Lea County, New Mexico for the proration unit covering the west half of Section 28. This is our Amoco State #1, and in order to expedite the approval of this location for a gas well we would appreciate your signing this letter in the space provided below signifying that you have no objection to this location for the production of gas.

We would appreciate your forwarding the original of this letter to the Secretary/Director New Mexico Oil Conservation Commission in the self addressed stamped envelope, one copy should be returned to this office in the enclosed envelope and the other copy is for your file.

Yours truly,

WESTERN OIL PRODUCERS, INC.

Kenneth D. Reynolds
Kenneth D. Reynolds
Vice President

KDR:bn

Agreed and accepted this 8 day of March 1977

Union Oil Company of California

By *L. F. Thompson*
L. F. Thompson, District Operations Manager

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2-016140ED68003 03/09/77 ICS IPMBNGZ CSP ABQA
2 2146919141 MGM TDBN DALLAS TX 03-09 1117A EST

THE OIL CONSERVATION COMMISSION
PO BOX 2088
SANTA FE NM 87501

File Case 5881

THIS IS A CONFIRMATION COPY OF A PREVIOUSLY PHONE-DELIVERED TELEGRAM

ATTN DICK STAMITZ
REGARDING WESTERN OIL PRODUCERS, UNORTHODOX LOCATION SOUTHWEST -
SOUTHWEST OF SECTION 28, 16 SOUTH, 33 EAST, LEE COUNTY NEW MEXICO
SOUTHERN UNION PRODUCTION COMPANY, AS AN OFFSET OPERATOR, HAS NO
OBJECTION TO THE SUBJECT REQUEST

C D CHAPMAN SOUTHERN UNION PRODUCTION CO. SUITE 1700 8350
NORTH CENTRAL EXPRESSWAY DALLAS TX 75206

1119 EST

MGMCOMP MGM

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 9, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Western Oil Producers,
Inc. for an unorthodox gas well loca-
tion, Lea County, New Mexico.

CASE
5881

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle N. No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I N D E X

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<u>N. RAYMOND LAMB</u>	
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EXHIBIT INDEX

	<u>Offered</u>	<u>Admitted</u>
Western's Exhibit One, Contours	4	10
Western's Exhibit Two, Drilling Report	5	10
Western's Exhibit Three, Geol. Markers	7	10
Western's Exhibit Four, Calculations	7	10
Western's Exhibit Five, Log	7	10
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Phone (505) 962-9211

1 MR. NUTTER: We will call Case Number 5881.

2 MS. TESCHENDORF: Case 5881, application of Western
3 Oil Producers, Incorporated for an unorthodox gas well
4 location, Lea County, New Mexico.

5 MR. KELLAHIN: If the Examiner please, Jason Kellahin,
6 Kellahin and Fox, appearing for the applicant and we have one
7 witness to be sworn.

8 (THEREUPON, the witness was duly sworn.)
9

10 N. RAYMOND LAMB

11 called as a witness, having been first duly sworn, was examined
12 and testified as follows:
13

14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q Would you state your name, please?

17 A N. Raymond Lamb.

18 Q What connection do you have with the applicant in
19 the case before the Commission, Case Number 5881?

20 A I'm a consultant on behalf of Western Oil Producers,
21 Incorporated and represent them in this hearing.

22 Q In connection with your work as a consultant did
23 you have anything to do with the proposed application?

24 A None other than to study the situation and determine
25 the best recourse for Western in this particular case.

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1 Q Have you ever testified before the Oil Conservation
2 Commission and made your qualifications a matter of record?

3 A Yes, I have.

4 MR. KELLAHIN: Are the witness' qualifications
5 acceptable?

6 MR. NUTTER: Yes, they are.

7 Q (Mr. Kellahin continuing.) Mr. Lamb, what does the
8 applicant propose in this case?

9 A The applicant originally filed for permission to
10 drill a Permo-Penn well in the west half or southwest quarter
11 of Section 28 of 16, 33 and upon reaching the Seaman-Kemnitz
12 zone they found by drill stem tests that the zone was non-
13 commercial and then with permission they drilled ahead to
14 test the lower horizons and encountered gas in both the Atoka
15 and the Morrow and have now completed the well in the Atoka with
16 a four-point completion test of five, point, two, two, oh.
17 That's five million, twenty-two thousand cubic feet of gas.

18 Q Is that from the Morrow?

19 A That's from the Atoka. From the Morrow on a drill
20 stem test gave up eight hundred and eighty-eight thousand
21 cubic feet of gas. It is indicated as a commercial zone but
22 it will not be completed at this time.

23 Q Now, referring to what has been marked as Exhibit
24 Number One would you identify that exhibit, please?

25 A It shows the contour of the Kemnitz pay zone in which

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1 the well was originally -- the basis on which it was drilled --
2 and found that the Kemnitz in both the Seaman were not
3 productive and, therefore, elected to carry the well to a
4 deeper zone.

5 Q What is the location of the well?

6 A It's six hundred and sixty feet from the south and
7 west lines of Section 28.

8 Q That was an orthodox location for the Kemnitz, was
9 it not?

10 A Yes.

11 Q But is it an unorthodox one for the Atoka?

12 A That's right.

13 Q And that is the reason for the hearing?

14 A And also it is unorthodox for the Morrow.

15 Q Yes, sir. Now, referring to Exhibit Number Two
16 would you identify that Exhibit?

17 A Exhibit Number Two is a Daily Drilling Operational
18 Report on the well from zero depth down to completion depth,
19 setting out the details of the drill stem tests which were
20 taken on the well and this is for the convenience of the
21 Commission so that they may have all of this detail in hand.

22 MR. NUTTER: What is the depth of the Kemnitz zone
23 and where would those tests be? Would these be the tests that
24 are around the high ten thousand, almost eleven thousand?

25 A Yes, those are the zones that they took through the

1 Kemnitz, ten thousand, seven, fifty-one to ten thousand, eight,
2 thirty-six and these were unusually long tests. The number one
3 test was from ten thousand, six, ninety-five to ten, seven,
4 sixty-one and then the number two test followed on below.

5 Actually, I do not feel that the number two test
6 was completely acceptable. The number three test then was
7 taken from eleven thousand, four, twelve to eleven, six hundred.
8 This would be the Seaman zone.

9 But these tests did not indicate commercial production.

10 MR. NUTTER: And then over here on the next page in
11 the area of twelve, seven, twenty-eight to ninety-eight, four
12 we had drill stem test number four, what would that be in?

13 A That was a test in the Atoka. Well, actually it was
14 above the main part of the Atoka. It was testing drilling
15 time break from twelve, nine, eighty to twenty-seven, seventy-
16 seven, and that zone did not give up gas.

17 The drill stem test number six which overlapped --
18 number five, excuse me. Number five was the failure and number
19 six was the good test and it covered the now-producing zone
20 in the Atoka. Twelve thousand, nine, ninety-seven to thirteen
21 thousand and three, I believe the figure is.

22 MR. NUTTER: Twelve, nine, thirty-five, wasn't it?

23 Q (Mr. Kellahin continuing.) Those tests are shown on
24 the logs that will be produced later, are they not?

25 A Yes, the logs are -- the test number four covered the

1 upper zone in the Atoka and the total depth at the time was
2 twelve, nine, eighty-four and it did not give up gas sufficient
3 to be commercial and the next drill stem test immediately
4 below would be number six which was successful and this is the
5 zone that covered the producing horizon in the Atoka which
6 was twelve thousand, nine, ninety-seven.

7 This, Mr. Examiner, I'm talking about where the well
8 was perforated and completed, twelve, nine, ninety-seven to
9 thirteen thousand and three and that is the now open producing
10 zone in the Atoka.

11 The possible production zone in the Morrow would be
12 thirteen thousand, four hundred at eighty to ninety and it
13 tested eight hundred and eighty-eight MCF of gas per day.

14 Q Now, referring to Exhibit Number Three, would you
15 identify that exhibit, please?

16 A Exhibit Number Three is a back page of the geological
17 markers of Oil Commission Form and to give the Commission the
18 advantage of that information here. It has been filed in
19 Hobbs.

20 Exhibit Number Four is a copy of Teteller's four
21 point calculations for the Atoka zone which calculated to be
22 five million, twenty-two thousand on a four point.

23 Q Then Exhibits Five and Six?

24 A Are copies of the electric log with the intervals
25 indicated as to the drill stem tests that were taken.

1 One of the Dresser-Atlas logs is a densilog neutron
2 and the other is a dual induction focused log.

3 Q What information have you marked on these logs?

4 A Well, the intervals that were tested by drill stem
5 tests and the indication of commercial production.

6 Q Mr. Lamb, in your opinion will the approval of
7 this application result in the prevention of waste?

8 A Yes, it will.

9 Q Will it result in the recovery of gas that would not
10 otherwise be recovered?

11 A That's right, this is a text book example.

12 Q Now, you are crowding the lease line, do you have
13 the consent of the offsetting operators?

14 A The operator to the immediate west of the location is
15 controlled by Western Oil Producers. The acreage to the south
16 is owned by Southern Union and I understand that the Commission
17 has a wire in hand which they have no objection to the location.
18 Inexco has an interest in the northwest corner of 29 and it's
19 carried under the name of International Nuclear but it is
20 controlled by the Inexco and a letter giving their permission
21 is in hand. There is another letter from Yates that I have not
22 seen. I understand that it is in hand but I don't know which
23 Yates it is even.

24 Q Do you know which acreage they are talking about?

25 A No, I'm not positive about that at this point.

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1 Q To go over that again briefly, to the west you own
2 the acreage?

3 A That's right.

4 Q Now, to the south Southern Union owns the acreage?

5 A Right.

6 Q What about in Section 32, the diagonal offset to the
7 well location?

8 A In 32?

9 Q Yes, sir.

10 A That is in hand by a Western owned farmout.

11 Q That is essentially --

12 A They control it, yes.

13 Q So really the only offset operators are Western itself
14 and Southern Union Gas?

15 A Direct offsets, yes.

16 Q Were Exhibits One through Six prepared by you or
17 under your supervision?

18 A Yes, they were.

19 Q Is there any particular reason for urgency in getting
20 this application approved?

21 A Yes, the Natural Gas Pipeline Company are hooking
22 the well to their transmission line today and are ready to take
23 gas into the mid-continent area at the earliest convenient
24 time that the Commission may grant permission either on a
25 temporary testing basis or temporary advance allowable.

1 MR. KELLAHIN: That's all we have, Mr. Nutter.
2 We offer Exhibits One through Six.

3 MR. NUTTER: Western Oil Producers Exhibits One
4 through Six will be admitted into evidence.

5 (THEREUPON, Western Oil Exhibits One through
6 Six were admitted into evidence.)

7

8 CROSS EXAMINATION

9 BY MR. NUTTER:

10 Q Mr. Lamb, the well was originally drilled in the
11 Kemnitz Pool and projected as an oil well, was it?

12 A Yes.

13 Q So the six, sixty, six, sixty was a legitimate
14 location?

15 A It was a legal location, yes. And when they
16 deepened to the Atoka it was unorthodox.

17 MR. NUTTER: Are there any further questions of
18 Mr. Lamb?

19 MR. KELLAHIN: That's all, Mr. Nutter.

20 MR. NUTTER: He may be excused.

21 (THEREUPON, the witness was excused.)

22 MR. NUTTER: Do you have anything further, Mr. Kellamin?

23 MR. KELLAHIN: That's all, thank you.

24 MR. NUTTER: Does anyone have anything they wish to
25 offer in this case?

1 MS. TESCHENDORF: Mr. Examiner, I have a telegram
2 from Southern Union Production stating that they have no
3 objection to the application.

4 I also have a letter from Yates Petroleum Corporation
5 stating they have no objection and one from Inexco Oil
6 Company which also states they have no objection.

7 MR. NUTTER: Thank you. Is there anything further
8 in Case Number 5881? We will take the case under advisement.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is
a true and correct record of the
hearing of the hearing of the
New Mexico Oil Conservation Commission
Examiner
3/9 588/77



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
March 16, 1977



STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico 87501

Re: CASE NO. 5881
ORDER NO. R-5399

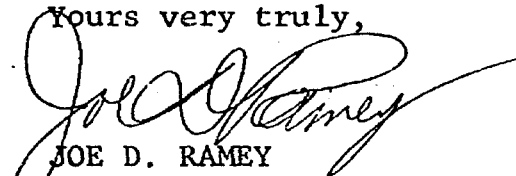
Applicant:

Western Oil Producers, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC

Other

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5881
Order No. R-5399

APPLICATION OF WESTERN OIL PRODUCERS,
INC. FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1977, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Western Oil Producers, Inc., seeks
approval of an unorthodox gas well location for its Amoco State
Well No. 1, completed in the Atoka formation 660 feet from the
South line and 660 feet from the West line of Section 28, Township
16 South, Range 33 East, NMPM, Lea County, New Mexico.

(3) That the W/2 of said Section 28 is to be dedicated to
the well.

(4) That said well was originally projected as an oil well
in the Kemnitz area but was dry in the Kemnitz and the Seaman
zones and was subsequently drilled to and completed in the Atoka
zone of the Pennsylvanian as a gas well.

(5) That no offset operator objected to the proposed
unorthodox location.

(6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the subject pool, will prevent the economic
loss caused by the drilling of unnecessary wells, avoid the
augmentation of risk arising from the drilling of an excessive
number of wells, and will otherwise prevent waste and protect
correlative rights.

-2-

Case No. 5881
Order No. R-5399

IT IS THEREFORE ORDERED:

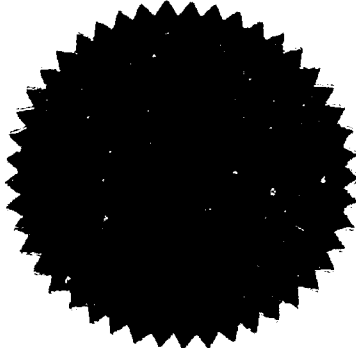
(1) That an unorthodox gas well location is hereby approved for the Western Oil Producers, Inc. Amoco State Well No. 1, completed in the Atoka formation at a point 660 feet from the South line and 660 feet from the West line of Section 28, Township 16 South, Range 33 East, NMPM, Lea County, New Mexico.

(2) That the W/2 of said Section 28 shall be dedicated to the above-described well.


(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/

Case 5881
Exhibit 2



P. O. Box 2055

Telephone (505) 623-3131

• Roswell, New Mexico 88201

OPERATIONS REPORT

AMOCO STATE # 1 660' FSL & 660' FWL, Section 28, T-16S, R-33E, Lea County, New Mexico
Elevation 4218.2 GR

- 11/1/76 Drilling, Depth 574', Red Bed, Native Mud, Totco 250' - $\frac{1}{2}$, Spud 17 $\frac{1}{2}$ " hole 3:00 P.M. 10/31/76.
- 11/2/76 W.O.C. & Nipple up, Red Bed & Anhydrite, Native Mud, Totco 630' - 1, 904' - $\frac{3}{4}$, Depth 904, Ran 13 $\frac{3}{8}$ " csg., 23 jts. of 48 lb. H40 LT&C, Total length 926.94, set at 904, Circl. 13 $\frac{3}{8}$ " csg. w/cmt., 400 sx of Halliburton Lite, 200 sx Class C, 2% Calcium Chloride, Plug down at 7:15 P.M. 11/1/76.
- 11/3/76 Drilling, Depth 1950, Anhydrite & Salt, Totco 1420'-1, 1902'-1, tested 13 $\frac{3}{8}$ " csg. at 700 lbs.
- 11/4/76 Drilling, Depth 2970, Anhydrite, Salt, Gyp, Mud Wt. H2^o, Totco, 2300'- $\frac{1}{2}$, 2820'-1
- 11/5/76 Drilling, Depth 3495, Anhydrite, Gyp, Mud Wt. H2^o, Totco, 3020'- $\frac{1}{2}$, 3476'- $\frac{1}{2}$,
- 11/6/76 Drilling, Depth 3815, Anhydrite, Gyp, Lime, Totco, 3725'- $\frac{3}{4}$
- 11/7/76 Drilling, Depth 4140, Anhydrite, Lime,
- 11/8/76 Trip out to run csg., Depth 4440, Lime, Mud Wt. 8.5, Visc. 35, Totco 4276'- $\frac{3}{4}$
- 11/9/76 Drilling cmt., depth 4,440, Mud Wt. - wtr., Totco-4,440'- $\frac{1}{2}$, Tested B.O.P. w/2000 lbs.
- 11/10/76 Drilling, depth 4820, Lime, Mud Wt. H2^o, Visc. 9.5, F.C PH9
- 11/11/76 Drilling, depth 5345, Lime, Mud Wt. H2^o, Totco 4875'- $\frac{3}{4}$.
- 11/12/76 Drilling, depth 5730, Lime, Mud Wt. H2^o, Totco 5360'- $\frac{3}{4}$, 5727'- $\frac{1}{2}$
- 11/13/76 Drilling, depth 6100, Lime, Mud Wt. H2^o
- 11/14/76 Drilling, depth 6455, Lime, Mud Wt. H2^o, Totco 6220'- $\frac{1}{2}$
- 11/15/76 Drilling, depth 6845, Lime, Mud Wt. H2^o, Totco 6749'- $\frac{1}{2}$
- 11/16/76 Drilling, depth 7180, Lime, Mud Wt. H2^o
- 11/17/76 Drilling, depth 7435, Lime, Mud Wt. H2^o, Visc. PH9, Totco 7240'- $\frac{1}{2}$, 7418'- $\frac{1}{2}$
- 11/18/76 Drilling, depth 7820, Lime, Mud Wt. H2^o
- 11/19/76 Drilling, depth 8300, Lime, Mud Wt. H2^o, Totco 7910'- $\frac{1}{2}$
- 11/20/76 Trip, depth, 8608, Lime, Mud Wt. H2^o, Totco, 8400' $\frac{1}{2}$
- 11/21/76 Drilling, depth 8886, Lime, Mud Wt. H2^o, Totco 8608'-1 $\frac{1}{2}$
- 11/22/76 Drilling, depth 9310, Lime, Mud Wt. H2^o, Totco 8990'-1 $\frac{1}{2}$
- 11/23/76 Drilling, depth 9640, Lime, Mud Wt. H2^o, Totco 9591'-3
- 11/24/76 Drilling, depth 10,050, Lime, Mud Wt. H2^o

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Wenton
oil EXHIBIT NO. 2
CASE NO. 5881

ANOCO STATE # 1 660' FSL & 660' FWL, Section 28, T-16S, R-33E, Lea County, New Mexico
Elevation 4218.2 GR

- 11/25/76 Drilling, depth 10,345', Lime & Shale, Totco 10,090'-2½, Mud Wt. 8.8, Visc. 38, W.L. 12
- 11/26/76 Drilling, depth 10,515', Lime & Shale, Totco 10,459'-1, Mud Wt. 8.8, Visc. 40, W.L. 8
- 11/27/76 Circl. for DST #1, depth 10,761, Lime & Shale, Mud Wt. 8.8, Visc. 38, W.L. 8
- 11/28/76 Pulling DST #1 at 10,761', tested from 10,695 to 10,761, 2 open with a weak blow, increasing to strong blow, choke blow press increased 18 lbs., open choke ½" press dropped to 1 lb. in 1½ hrs., gas to surface in 1 hr. & 5 min. in the second flow, Initial Hydrostatic 4985, 30 min. preflow, initial press 128 lbs., final press 171 lbs., 120 min. initial shut in press 2928, 120 min. final flow, initial press 128 lbs., final press 214 lbs., 300 min final shut in 2928, final hydrostatic 4985, Bottom hole temp. 139°, recovered 708' of gas & oil cut drlg. mud, Sample chamber 125 lbs., recovered .225 cubic ft. of gas & 1200 c.c. of slightly mud cut oil, Preparing for DST #2 from 10,752 to 10,835
- 11/29/76 Trip for DST #2, depth 10,836, Lime & Shale, Mud Wt. 8.8, Visc. 40, W.L. 8
- 11/30/76 DST #2, testing from 10,751 - 10,836, depth 10,836, Lime & Shale, Mud Wt. 8.8, Visc. 40, W.L. 8, Tool opened with a weak blow increasing to a strong blow with choke closed, open choke to ½" after initial flow and gas surfaced in 36 min., on second flow open choke on ¾" & pressure increased slowly from 0 to 27 lbs. in 2 hrs. Initial hydrostatic pressure 5,034, 30 min. preflow, initial 116 final 231, 120 min. initial shut in 3301, 120 min. initial flow 231, final 462, 240 min. final shut in pressure 2868, final hydrostatic 5,034, temperature 139°, total recovery 1312' of total fluid with 1212' of very heavy oil & gas cut mud, 100' free oil, Sampler 350 psi, 1½ cubic feet of gas, 1300 cc oil, no water.
- 12/1/76 Drilling, depth 10,995, Lime & Shale, 159' of progress, Mud Wt. 8.9, Visc. 41 W.L. 8
- 12/2/76 Drilling, depth 11,190, 195' progress, Lime & Shale Mud Wt. 8.7, Visc. 40, W.L. 10
- 12/3/76 Trip, depth 11,346, 156' progress, Lime & Shale, Mud Wt. 9, Visc. 43, W.L. 10
- 12/4/76 Drilling, depth 11,455, 109' of progress, Lime & Shale, Mud Wt. 8.9, Visc. 43, W.L. 10
- 12/5/76 Circl. for DST #3, depth 11,600, 145' of progress, Mud Wt. 9.1, Visc. 40, W.L. 8, DST #3, Tested from 11,412 to 11,600, Tool open w/a very weak blow increasing to a strong blow, w/ choke closed pressure built to 12 lbs., open choke on ¾" & pressure decreased to 0 in 15 min. Gas to surface in 1 hr. & 5 min., recovered 295' of oil & gas cut drilling mud., Initial Hydrostatic 5,556 lbs., 30 min. preflow initial 161, final 161, 180 min. initial shut in pressure 5,397, 120 min. flow initial 184 final 207, 300 min. final shut in pressure 5,397, final hydrostatic 5,579, bottom hole temperature 144°, bottom hole sampler 100 psi, .109 cubic ft. of gas, 500 cc oil, 200 cc mud.
- 12/6/76 Pulling DST #3, depth 11,600, Mud Wt. 9.1, Visc. 40, W.L. 8, Totco 11,600'-2½
- 12/7/76 Drilling, depth 11,720, Lime & Shale 120' of progress, Mud Wt. 9.2, Visc. 41, W.L. 8.5
- 12/8/76 Drilling, Depth 11,880, Lime & Shale, 160' of progress, Mud Wt. 9.2, Visc. 39, W.L. 8
- 12/9/76 Drilling, Depth 12,030, Lime, Shale & Sand, 150' of progress, Mud Wt. 9.1, Visc. 40 W.L. 8, F.C. 1/32
- 12/10/76 Drilling, Depth 12,190, Lime & Shale 160' of progress, Mud Wt. 9.0, Visc. 39, W.L. 9, F.C. 1/32

• AMOCO STATE #1 660' FSL & 660' FWL, Section 28, T-16S, R-33E, Lea County, New Mexico
Elevation 4218.2 GR

- 12/11/76 Drilling, depth 12,345, 155' of progress, Lime, Shale, Sand, Mud Wt. 9, Visc 40, W.L. 7, F.C. 1/32
- 12/12/76 Trip, Depth 12,513, 168' of progress, Lime, Shale, Sand, Mud Wt. 9.1, Visc. 39 W.L. 9, F.C. 1/32
- 12/13/76 Drilling, depth 12,595, 82' of progress, Lime, Shale, Mud Wt. 9.1, Visc. 41, W.L. 8, F.C. 1/32
- 12/14/76 Trip, Depth 12,651, 56' of progress, Lime, Shale, Mud Wt. 9.1, Visc. 40, W.L. 8, F.C. 1/32.
- 12/15/76 Drilling, depth 12,725, 74' of progress, Lime & Shale, Mud Wt. 9.1, Visc. 42, W.L. 8, F.C. 1/32.
- 12/16/76 Drilling, depth 12,810, 85' of progress, Lime & Shale, Mud Wt. 9.2, Visc. 44, W.L. 9, F.C. 1/32
- 12/17/76 Drilling, Depth 12,910, 100' of progress, Lime & Shale, Mud Wt. 9.1, Visc. 43, W.L. 7, F.C. 1/32
- upper
Alaska*
12/18/76 Trip in for DST #4, depth 12,984, Lime & Shale, 74' of progress, Mud Wt. 9.7, Visc. 42, W.L. 9.2, F.C. 1/32, DST #4 - tested from 12,728 to 12,984, Initial Hydrostatic 6510, 30 min. preflow-initial 323, final 416, 120 min. flow-initial shut-in 5920, 60 min. flow-initial 623, final 970, 70 min. flow-final shut-in 5989, final hydrostatic 6623, bottom hole temp. 152°, recovered 6204' of gas cut mud, sampler 1450 cc gas cut mud, no gas, pressure 300 psi, packers failed on final shut in.
- 12/19/76 Drilling, depth 13,500, Lime, Shale, Sand, 21' of progress, Mud Wt. 9.7, Visc. 48 W.L. 7.4, F.C. 1/32
- 12/20/76 DST #5, depth 13,038, Lime Shale & Sand, 33' of progress, Mud Wt. 9.8, Visc. 45, W.L. 6.5, F.C. 1/32, testing from 12,937 to 13,037.
- 12/21/76 T.D. 13,038, Circulate condition mud, pull packer loose on DST #5, well started kicking, dropped bar & opened circulating sub, started circulating & conditioning mud & raising mud Wt., Mud Wt. 10.3, Visc. 44, W.L. 8.8, F.C. 1/32, Ph 8.5
- 12/22/76 T.D. 13,038, Circ., Condition Mud, had to keep raising weight to control pressure, will attempt to level mud wt. at 12 lbs. per gal.
- 12/23/76 Drilling, depth 13,044, Lime & Shale, Pulled DST #5, Hydrostatic In 6238, 30 min. preflow 3780-4988, 120 min. ISI 6102, 135 min. 2nd flow 3895-5306, 300 min. FSI 6215, FHH 6124.
- 12/24/76 DST #6, Depth 13,061, Lime & Shale, 17' of progress, Mud Wt. 12.1, Visc. 47, W.L. 6.4, F.C. 1/32. DST #6 Tested from 12,935-13,061, open tool w/strong blow gas to surface in 8 min., all flows on 3/8" choke, at the end of 45 min. preflow pressure 2300 psi rate of 7.8 MMCF, at the beginning of final flow 3/8" choke flow pressure 1500 rate of 5.1 MMCF, end of 180 min. final flow pressure 2150 rate 7.3 MMCF, Initial Hydrostatic 8349, 45 min. preflow Initial 3494, Final 5154, 180 min, ISI 6343, 180 min. flow initial 3608, final 4937, 600 min. FSI 6127, Final Hydrostatic 8250, Sampler 1.4 Cubic ft. gas, 650 cc oil, 625 psi, temp. 166, Recovered 2300' of slightly gas cut oil.
- may
be
over
page*
12/25/76 Drilling, depth 13,080, Lime & Shale, 19' of progress, Mud Wt. 12.2, Visc. 46, W.L. 7, F.C. 1/32
- 12/26/76 Drilling, depth 13,150, Lime & Shale, 70' of progress, Mud Wt. 11.9, Visc. 49, W.L. 7.5, F.C. 1/32
- 12/27/76 Drilling, depth 13,255, Lime & Shale, 105' of progress, Mud Wt. 12, Visc. 51, W.L. 5, F.C. 1/32
- 12/28/76 Drilling, depth 13,330, Lime & Shale, 75' of progress, Mud Wt. 11.8, Visc. 50, W.L. 5, F.C. 1/32
- 12/29/76 Drilling, depth 13,410, Lime & Shale, 80' of progress, Mud Wt. 11.8, Visc. 51, W.L. 6, F.C. 1/32
- 12/30/76 Drilling, depth 13478, Lime & Shale, 68' of progress, Mud Wt. 11.7, Visc. 53, W.L. 8, F.C. 1/32 PH 8.5

WELLS STATE #1 660' FSL & 660' FWL, Section 26, T-16S, R-33E, Lea County, New Mexico
Elevation 4218.2 GR

- Maxon*
- 12/31/76 Trip for DST #7, Depth 13,505, Lime & Shale, 27' of progress, Mud Wt. 11.8, Visc. 57, W.L. 5.5, F.C. 1/32. Tested from 13,370 - 13,505, Initial Hydrostatic 8489, 30 Min. Preflow-Initial 277, Final 388, 120 Min. ISI 7046, 120 Min. Final Flow-Initial 388, Final 471, 300 Min. FSI 6992, Final Hydrostatic 8170, Sampler - 400 psi, 1.0 Cubic Ft. gas, 100 cc liquid condensate, total recovery 882' of heavy gas & condensate cut mud, Preflow maximum flow rate 154 MCF with gas to surface in 30 min., Final Flow maximum rate 1252 MCF on ½" choke, flowing pressure 185, at the end of 2 hr. final flow flowing at the rate of 888 MCF per day on ½" choke, Flowing pressure 127, rate was stabilized.
- 1/1/77 Washing to Bottom, depth 13,505, Lime & Shale
- 1/2/77 Drilling, depth 13,560, Lime & Shale, 55' of progress, Mud Wt. 11.8, Visc. 60, W.L. 6, F.C. 1/32
- 1/3/77 Drilling, depth 13,630, Lime, Shale & Sand, 70' of progress, Mud Wt. 11.9, Visc. 61, W.L. 8, F.C. 1/32.
- 1/4/77 Logging, Depth 13,635, Lime & Shale, 5' of progress, Mud Wt. 11.9, Visc. 59, W.L. 5, F.C. 1/32
- 1/5/77 Laying down drill pipe, Depth 13,635, Mud Wt. 11.9, Visc. 60, W.L. 5, F.C. 1/32
- 1/6/77 Cementing & Casing, T.D. 13,635, Ran 344 jts. of 5½" 17 lb, 20 lb., & 23 lb. N-80 csg. 13,642.75', cemented at 13,635' RKB measurements, cemented 750 sx. Class H w/.5 of 1% CFR-2 w/5 lb. of KCL per sx also .2 of 1% HR-4, Plug down at 6:30 AM 1/6/77, bump plug w/3500 psi, plug back T.D. 13,595, ran 20 centralizers & 40 scratchers, estimated top of Annulus cmt. 10,000'. Final report until resume operations approximately 1/10/77.
- 1/18/77 Unloading Tubing.
- 1/19/77 Preparing to rig up completion unit
- 1/20/77 Moved in, Rigged up pulling unit, ran 403 jts. (12,930.45') w/Guiberson Uni-VI Packer and packers set at 12,931' RKB Measurements.
- 1/21/77 Displace hole w/ packer water, set packer and swab tubing w/fluid level at approximately 10,000', preparing to perforate Saturday AM.
- 1/22/77 Ran swab & check fluid level at 10,200', ran Welex Sidewinder jet & perforate 2 holes per ft., total of 14 holes, 12,997 to 13,003, while perforating well blew perforating gun up hole & fouled line, pull Welex Line in two just above rope socket, ran Jarrel Surfaces, Inc. Wire Line to check whether perforating gun is in tubing or on bottom, couldn't get in hole because of ice.
- 1/23/77 shut down
- 1/24/77 Started at 8:00 AM using steamer to heat well head & running wire line. Went thru tubing, gun on bottom, rigging down Jarrel Services, cleaning up, flowed the well for 2 hours after mud was cleaned out, stabilized at 2500 lbs. tubing pressure on 5/16" choke, 5.6 MMCF per day, after 10 min. shut in tubing pressure 3200, presently shut in. Last report until service equipment is installed which should be next week.
- 2/4/77 Ran 4 point test, copy attached. Will discontinue reports until well is hooked to pipeline.

INSTRUCTIONS

Case 5881
Exhibit 3

This form is to be filed with the appropriate District Office of the Commission, not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy <u>1460</u>	T. Canyon <u>-</u>	T. Ojo Alamo <u>-</u>	T. Penn. "B" <u>-</u>
T. Salt <u>1525</u>	T. Strawn <u>-</u>	T. Kirtland-Fruitland <u>-</u>	T. Penn. "C" <u>-</u>
B. Salt <u>2515</u>	T. Atoka <u>limestone 12355</u>	T. Pictured Cliffs <u>-</u>	T. Penn. "D" <u>-</u>
T. Yates <u>2595</u>	T. Miss <u>13620</u>	T. Cliff House <u>-</u>	T. Leadville <u>-</u>
T. 7 Rivers <u>-</u>	T. Devonian <u>-</u>	T. Menafee <u>-</u>	T. Madison <u>-</u>
T. Queen <u>3625</u>	T. Silurian <u>-</u>	T. Point Lookout <u>-</u>	T. Elbert <u>-</u>
T. Grayburg <u>4235</u>	T. Montoya <u>-</u>	T. Mancos <u>-</u>	T. McCracken <u>-</u>
T. San Andres <u>4425</u>	T. Simpson <u>-</u>	T. Gallup <u>-</u>	T. Ignacio Qtzite <u>-</u>
T. Glorieta <u>5920</u>	T. McKee <u>-</u>	Base Greenhorn <u>-</u>	T. Granite <u>-</u>
T. Paddock <u>-</u>	T. Ellenburger <u>-</u>	T. Dakota <u>-</u>	T. <u>-</u>
T. Elinebry <u>-</u>	T. Gr. Wash <u>-</u>	T. Morrison <u>-</u>	T. <u>-</u>
T. Tubb <u>7190</u>	T. Granite <u>-</u>	T. Todilto <u>-</u>	T. <u>-</u>
T. Drinkard <u>-</u>	T. Delaware Sand <u>-</u>	T. Entrada <u>-</u>	T. <u>-</u>
T. Abo <u>7920</u>	T. Bone Springs <u>-</u>	T. Wingate <u>-</u>	T. <u>-</u>
T. Wolfcamp <u>9695</u>	Lower Penn <u>Glorieta</u>	T. Chinle <u>-</u>	T. <u>-</u>
T. Penn. <u>-</u>	T. <u>13026</u>	T. Permian <u>-</u>	T. <u>-</u>
T. Cisco (Bough) <u>-</u>	T. <u>-</u>	T. Penn. "A" <u>-</u>	T. <u>-</u>

KEMNITZ 10694

SRAMAN 11430

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness In Feet	Formation	From	To	Thickness In Feet	Formation
1460	1525	65	Rustler				
1525	2515	990	SALT				
4425	5920	1495	San Andres				
7920	9695	1775	ABO				
9695	11430	1735	Wolfcamp				
11430	12355	925	Upper Pennsylvanian				
12355	13620	1265	Lower Pennsylvanian				

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Western
Oil EXHIBIT NO. 3
CASE NO. 5881

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
W. J. Nutter EXHIBIT NO. 4
CASE NO. 5881

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA
Midland, Texas

Case 5881
Exhibit 4

Well : AMOCO STATE NO. 1

Field : MALJAMAR PENN.

Page 1 of 6

File 3-7489-0FP

CHRONOLOGICAL PRESSURE AND PRODUCTION DATA

Well	Status of Well	Time	Elapsed Time Hrs. Min.	T + dt dt	Daily Rate Gas MCF/D	Wellhead Pressure Tubing	BHP @ 12850' Psig	GHP @ 13000' Psig
4	Arrive on loc.-Shut in	12:45						
	Gradient Traverse	13:19						
	Inst. @ 12850'	14:24						
	"	15:30	264 00			3579	6332	6364
	Open on 7/64" choke	15:30	0 00			3496		
	"	15:45	0 15			3438	6203	6235
	"	16:00	0 30			3400	6138	6170
	"	16:15	0 45			3438	6166	6198
	"	16:30	1 00		821.1	3428	6157	6189
	Open on 10/64" choke	16:30	0 00					
	"	16:45	0 15			3135	5886	5918
	"	17:00	0 30			3118	5872	5904
	"	17:15	0 45			3100	5859	5891
	"	17:30	1 00		1348.0	3079	5849	5881
	Open on 18/64" choke	17:30	0 00					
	"	17:45	0 15			2462	5315	5347
	"	18:00	0 30			2485	5288	5320
	"	18:15*	0 45			2485	5256	5288
	"	18:30	1 00		2221.7	2460	5247	5279
	Open on 20/64" choke	18:30	0 00					
	"	18:45	0 15			2138	4954	4986
	"	19:00	0 30			2090	4890	4922
	"	19:15	0 45			2081	4854	4886
	"	19:30	1 00		2780.9	2045	4836	4868

*Started dumping H₂O on ground

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA
Midland, Texas

Well : AMOCO STATE NO. 1

Page 2 of 6

Field : MALJAMAR PENN.

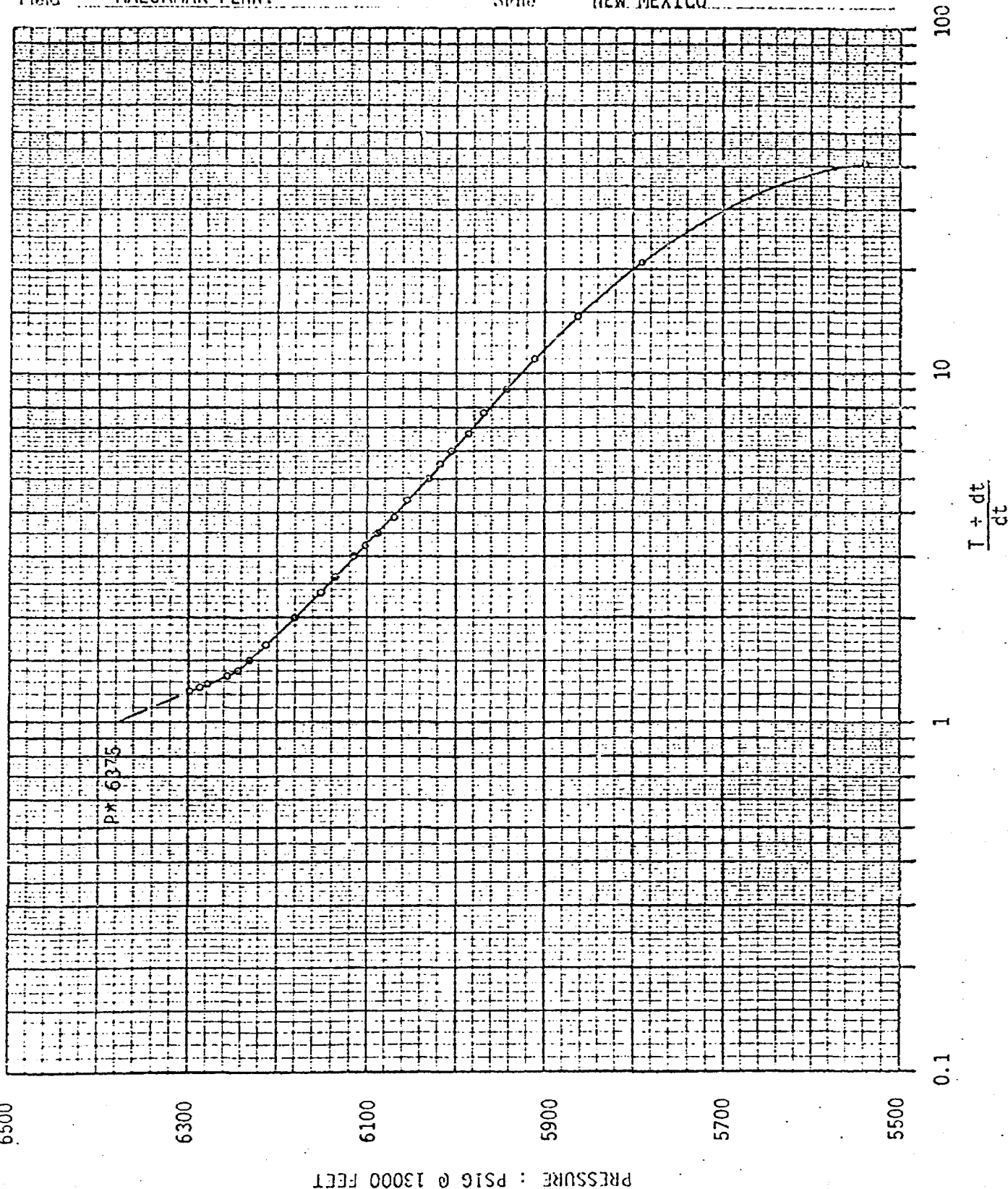
File 3-7489-0FP

CHRONOLOGICAL PRESSURE AND PRODUCTION DATA

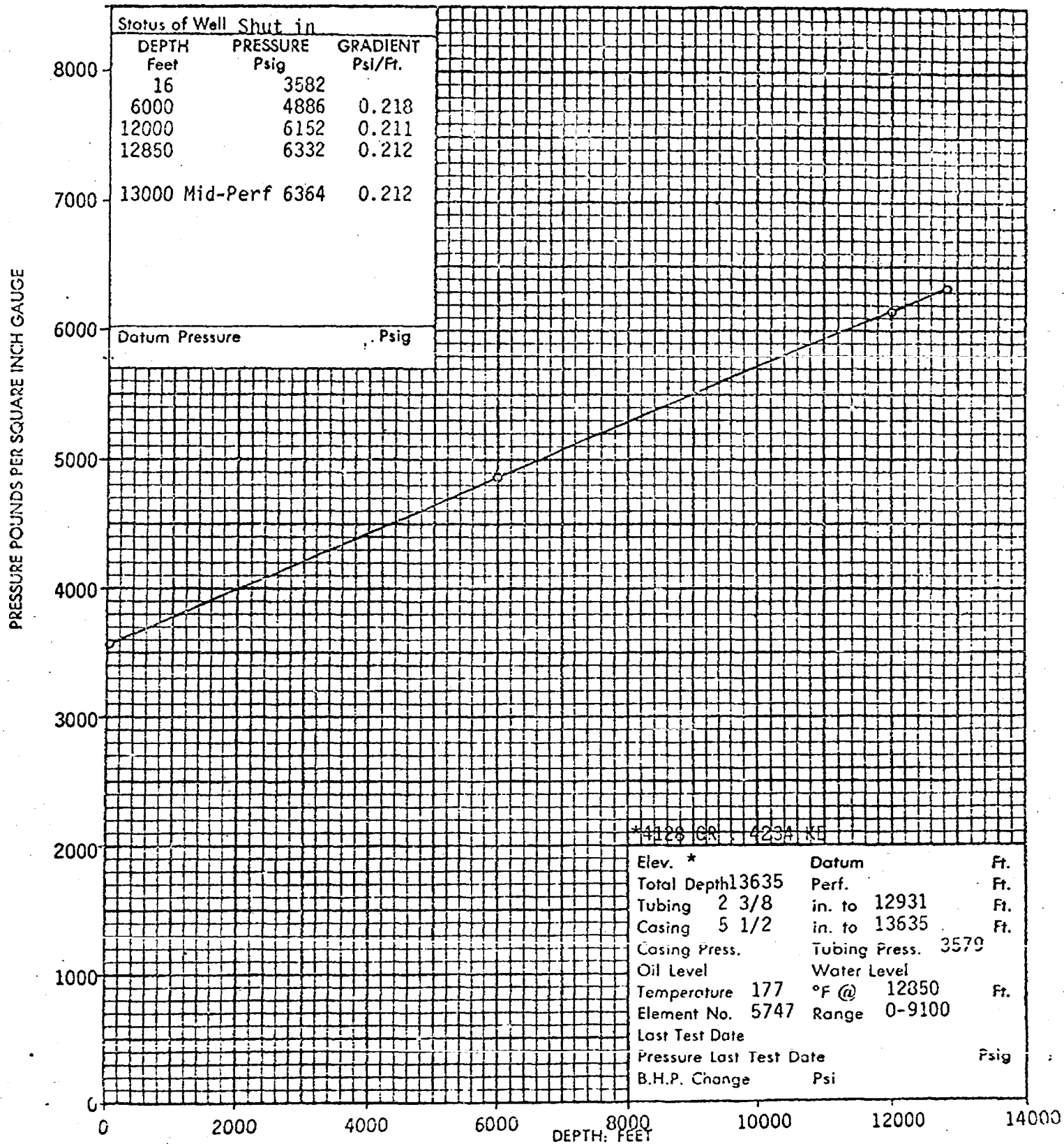
Well	Status of Well	Time	Elapsed Time Hrs. Min.	$\frac{T + dt}{dt}$	Daily Rate Gas MCF/D	Wellhead Pressure Tubing	BHP @ 12850' Psig	BHP @ 13000' Psig
4	Shut in for build up	19:30	0 00					
"	"	19:36	0 06	41.00			5507	5539
"	"	19:42	0 12	21.00			5758	5790
"	"	19:48	0 18	14.33			5831	5863
"	"	19:54	0 24	11.00			5877	5909
"	"	20:00	0 30	9.00			5911	5943
"	"	20:06	0 36	7.67			5936	5968
"	"	20:12	0 42	6.71			5954	5986
"	"	20:18	0 48	6.00			5973	6005
"	"	20:24	0 54	5.44			5986	6018
"	"	20:30	0 60	5.00			6000	6032
"	"	20:42	1 12	4.33			6023	6055
"	"	20:54	1 24	3.86			6037	6069
"	"	21:06	1 36	3.50			6055	6087
"	"	21:18	1 48	3.22			6069	6101
"	"	21:30	2 00	3.00			6083	6115
"	"	22:00	2 30	2.60			6104	6136
"	"	23:00	3 00	2.33			6120	6152
5	"	00:00	4 00	2.00			6148	6180
"	"	02:00	6 00	1.67			6180	6212
"	"	04:00	8 00	1.50			6198	6230
"	"	06:00	10 00	1.40			6212	6244
"	"	08:00	12 00	1.33			6224	6256
"	"	10:00	14 00	1.29			6247	6279
"	"	12:00	16 00	1.25			6254	6286
"	"	13:30	17 30	1.23		3518	6267	6299

Company WESTERN OIL PRODUCERS, INC. Formation ATOKA PENN.
 Well AMOCO STATE NO. 1 County LEA
 Field MALJAMAR PENN. State NEW MEXICO

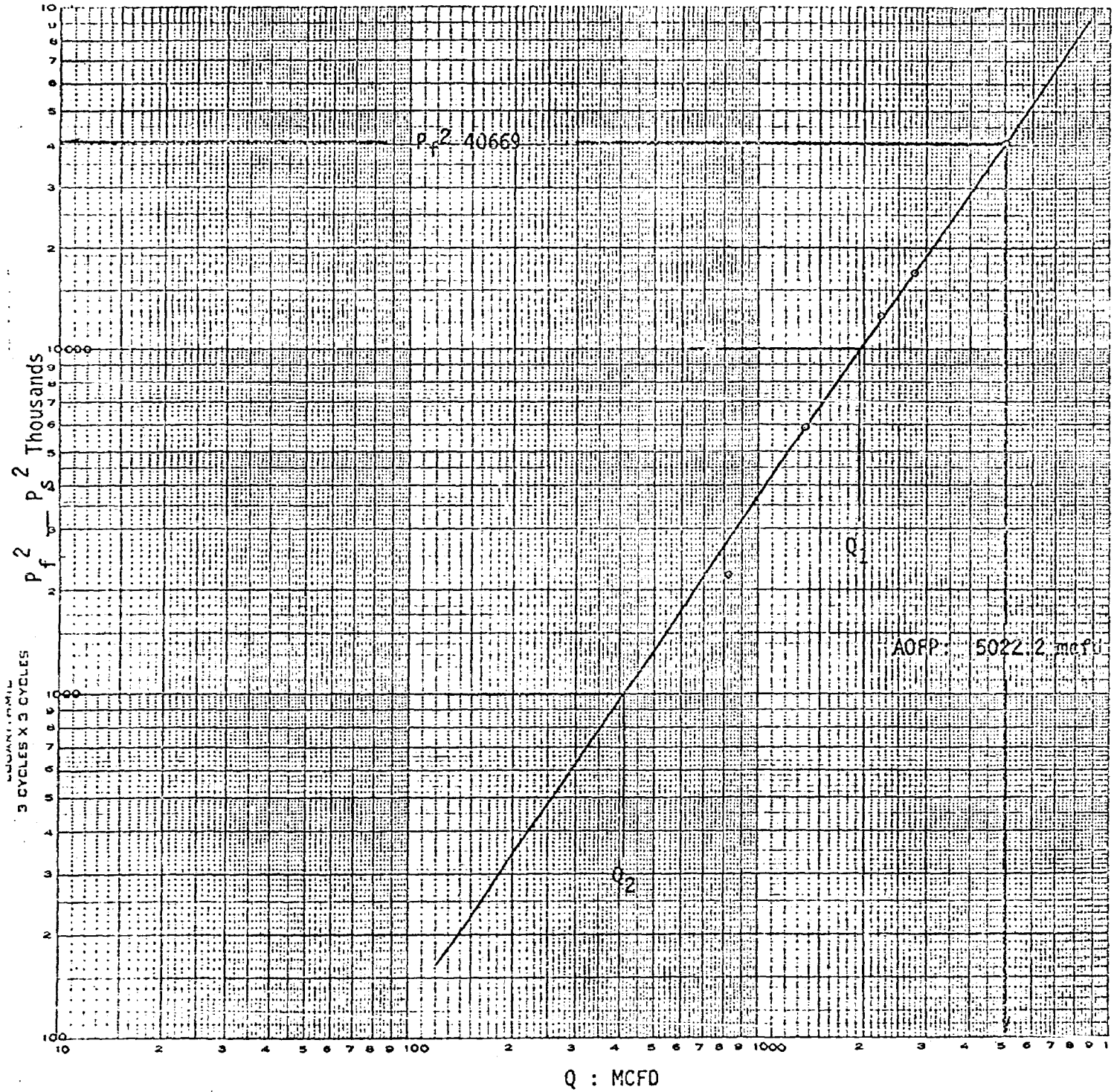
DIMENSIONLESS TIME PLOT



Company WESTERN OIL PRODUCERS, INC. Lease AMOCO STATE Well No. 1
Field MALJAMAR PENN. County LEA State NEW MEXICO
Formation ATOKA PENN. Test Date FEBRUARY 4, 1977



Project : Mangum, 1000
 County : Lea
 State : New Mexico
 Date : February 4, 1977



$Q_1 = 1920$; $\log Q_1 = 3.283301$
 $Q_2 = 410$; $\log Q_2 = 2.612784$
 $n = 0.670526$
 $\theta = 560.9'$

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 2-4-77	
Company Western Oil Producers, Inc.				Connection	
Pool Maljamar Penn.				Formation Atoka Penn.	
Completion Date 2-3-77		Total Depth 13635		Plug Back TD 13595	
				Elevation 4234 KB	
Csg. Size 5 1/2		Wt. 20	d 4.892	Perforations: From 12997 To 13003	
		23	4.778		
			4.670		
Tub. Size 2 3/8		Wt. 4.7	d 1.995	Perforations: From To	
			12931		
Type Well - Single - Brdenhead - G.C. or G.O. Multiple				Packer Set At 12931	
Single				County Lea	
Producing Thru Tubing		Reservoir Temp. °F 177 @ 12850		Mean Annual Temp. °F 70	
				Baro. Press. - P _a 13.2	
				State New Mexico	
L 13000	H 13000	G _g 0.689	% CO ₂	% N ₂	% H ₂ S
				Prover	Meter Run X
				Taps Flange	

FLOW DATA							TUBING DATA		CASING DATA		Duration of Flow
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	
SI		X					3579		Pkr		
1.	3"	X	1.75"	700	2.5	95	3428	70	"		60 min.
2.	3"	X	1.75"	710	6.5	88	3079	70	"		60 min.
3.	3"	X	1.75"	718	16.0	60	2460	70	"		60 min.
4.	3"	X	1.75"	720	25.0	60	2045	70	"		60 min.
5.											

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor F _t	Gravity Factor F _g	Super. Comp. Factor, F _{pv}	Rate of Flow Q, Mcfd
1	15.61	42.226	713.2	0.9680	1.205	1.068	821.1
2	15.61	68.562	723.2	0.9741	1.205	1.073	1348.0
3	15.61	108.163	731.2	1.0000	1.205	1.092	2221.7
4	15.61	135.388	733.2	1.0000	1.205	1.092	2780.9
5							

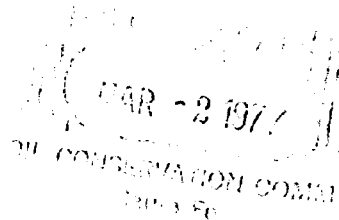
NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio	A.P.I. Gravity of Liquid Hydrocarbons	Specific Gravity Separator Gas	Specific Gravity Flowing Fluid	Critical Pressure	Critical Temperature
					8.654	46.3	0.689	X X X X X	669	388
1	1.07	555	1.43	0.876						
2	1.08	548	1.41	0.868						
3	1.09	520	1.34	0.839						
4	1.10	520	1.34	0.838						
5										

NO.	P _r ²	P _s ²	P _c ²	PP _r ² -P _s ²	(1) $\frac{P_c^2}{P_r^2 - P_w^2} = 2.4145935$	(2) $\left[\frac{P_c^2}{P_r^2 - P_w^2} \right]^n = 1.805953$
1	6202.2	38467	2202			
2	5894.2	34742	5927			
3	5292.2	28007	12662			
4	4881.2	23826	16843			
5						

Absolute Open Flow 5022.2 Mcfd @ 15.025				Angle of Slope @ 56° 9'		Slope, n 0.670526	
Remarks:							
Approved By Commission:		Conducted By: Tefteller, Inc.		Calculated By: F. Tefteller		Checked By:	



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE 746-3558



S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

February 28, 1977

Mr. Daniel Nutter
New Mexico Oil Conservation Commission
Land Office Building
Santa Fe, New Mexico 87501

Re: Western Oil Producers
Amoco State #1
660' from the South Line and
660' from the West Line of Section 28
Township 16 South, Range 33 East, N.M.P.M.

Dear Sir:

Yates Petroleum Corporation has no objection to the captioned
unorthodox location.

Very truly yours,

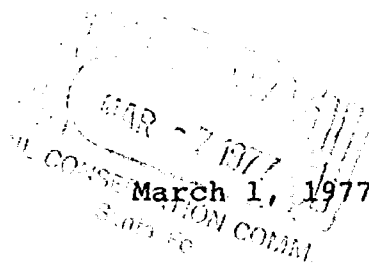
YATES PETROLEUM CORPORATION

By: 

nf



INEXCO OIL COMPANY



Mr. Joe Ramey
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

RE: Western Oil Producers, Inc.
#1 Well located
660' FWL and 660' FSL of
Sec. 28-16S-33E
Lea County, New Mexico
Inexco West Hume Area
No. NM-110 (NM2-K6873)

Mr. Ken Reynolds of Western Oil Producers, Roswell, New Mexico has asked by telephone that Inexco Oil Company state its position to the Oil Conservation Commission as it relates to the subject irregular location.

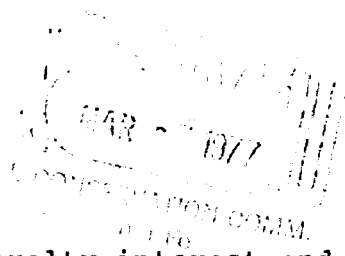
We are advised that Western expects to be able to market the gas production from the subject well by March 5, 1977, and has therefore, asked for a prompt response from interested parties.

Inexco does not object to this specific exception.

We understand that Western Oil Producers will make a formal written request to your commission and furnish this company with a copy.

We further advise you that under the terms of the assignment into Inexco an overriding royalty of 1/16 of 8/8 was reserved and that there was a 45 day lease re-assignment obligation in the event the lease was to be

Mr. Joe Ramey
Page Two
March 1, 1977



relinquished. The overriding royalty interest and the re-assignment rights are owned by Mesa Petroleum Company, Midland, Texas.

If you require anything additionally from Inexco, please advise us.

Very truly yours,

INEXCO OIL COMPANY

Sam S. Reeves, Jr.
Sam S. Reeves, Jr.
Area Landman

SSR/db

cc: Western Oil Producers, Inc.
1200 S. Richardson Avenue
Roswell, New Mexico

Attention: Mr. Ken Reynolds

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Attention: Mr. Jim Pease

Telegram Called In on March 9, 1977
11:45 A.M.

Attention: Dick Stamets

Regarding Western Oil Producers, unorthodox
location SW-SW of Section 28, 16S, 33E, Lea
County, New Mexico, Southern Union Production
Company, as an offset operator, has no objec-
tion to the subject request.

Signed/C. D. Chapman
Southern Union Production Co.
1700 8350 N. Central Expressway
Dallas, Texas 75206

Dockets Nos. 9-77 and 10-77 are tentatively set for hearing on March 23 and April 6, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 9, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.

(2) Consideration of the allowable production of gas for April, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5863: (Continued & Readvertised)

Application of Amerada Hess Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla Apache "B" Well No. 16, completed as an oil well in the Dakota formation at a point 1850 feet from the South line and 1500 feet from the West line of Section 29, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, said well having been projected as a Basin-Dakota gas well at a standard gas well location for said pool.

CASE 5857: (Continued & Readvertised)

Application of Union Oil Company of California for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North and East lines of Section 7, Township 19 South, Range 34 East, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction and complete it in the Morrow formation at a point no closer than 330 feet to the outer boundary of the proration unit, the E/2 of said Section 7.

CASE 5873: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 1115 of the Commission Rules and Regulations to provide for the filing of information required on Form C-1, Operator's Monthly Report, in the manner and sequence prescribed by the Commission.

CASE 5874: Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation through the perforated interval from 5926 to 5946 feet of its New Mexico "R" State Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

CASE 5866: (Continued from February 16, 1977, Examiner Hearing)

Application of Union Texas Petroleum for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection string in a well it proposes to drill in Unit D of Section 33, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 5048: (Reopened) (Continued from January 19, 1977, Examiner Hearing)

In the matter of Case 5048 being reopened pursuant to the provisions of Order No. R-4637-A, which order extended the temporary special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.

CASE 5117: (Reopened) (Continued from February 2, 1977, Examiner Hearing)

In the matter of Case 5117 being reopened pursuant to the provisions of Order No. R-4691-A, which order extended the temporary special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said North Dagger Draw-Upper Pennsylvanian Pool should not be developed on less than 160-acre proration units and why the special depth bracket allowable should be retained.

- CASE 5875: Application of Atlantic Richfield Company for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 320-acre non-standard Juhat gas proration unit comprising the W/2 of Section 29, Township 24 South, Range 37 East, Lea County, New Mexico, to its William H. Harrison "A" WN Well No. 2 located in Unit D and William H. Harrison "D" Wells Nos. 1 and 6 in Units I and N, respectively, of said Section 29. Applicant further seeks approval of an unorthodox location for its William H. Harrison "D" WN Well No. 6 at a location 660 feet from the South line and 1930 feet from the West line of said Section.
- CASE 5876: Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Cavilan-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of his June Well No. 1 located in Unit B of Section 28, Township 28 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 5820: (Continued from February 16, 1977, Examiner Hearing)
Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5867: (Continued from February 16, 1977, Examiner Hearing)
Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 19, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico, to be dedicated to its Forrest Well No. 1 to be located in Unit N of said Section 19. Also to be considered will be the cost of completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in completion of said well.
- CASE 5877: Application of Great Lakes Chemical Corporation for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard Blanco Mesaverde gas proration units comprising the SE/4 of Section 3, and the NW/4 of Section 35, respectively, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5878: Application of Michael T. Gottlieb for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard Blanco Mesaverde gas proration units comprising the NE/4 of Section 3, and the SW/4 of Section 35, respectively, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5879: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 12, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5880: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 20, Township 18 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5881: Application of Western Oil Producers, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Amoco State Well No. 1, completed in the Alcha formation at a point 660 feet from the South and West lines of Section 28, Township 16 South, Range 33 East, Lea County, New Mexico, the W/2 of said Section 28 to be dedicated to the well.

CASE 5859: (Continued & Readvertised)

Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Blanco Mesaverde and Basin-Dakota production in the wellbore of its Breech D Well No. 307, located in Unit M of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Chacra formation in said well.

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
800 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

February 11, 1977

FEB 14 1977

TELEPHONE 982-4315
AREA CODE 505

Mr. Joe D. Ramey
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 5881

Dear Mr. Ramey:

Enclosed is the application of Western Oil Producers,
Inc. for approval of an unorthodox well location, Lea
County, New Mexico.

It is requested that this application be set for hearing
on March 9, 1977.

Yours very truly,

Jason Kellahin
Jason W. Kellahin

CC: Western Oil Producers
JWK:kfm

Enclosure

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF WESTERN OIL PRODUCERS, INC.,
FOR APPROVAL OF AN UNORTHODOX
WELL LOCATION, LEA COUNTY, NEW MEXICO

Case 5881

A P P L I C A T I O N

Comes now Western Oil Producers, Inc., and applies to the Oil Conservation Commission of New Mexico for approval of an unorthodox well location for its Amoco State No. 1, located 660 feet from the South line and 660 feet from the West line of Section 28, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant projected the well originally as a Wolfcamp well in the Kemnitz-Wolfcamp field. With authority of the Commission, the well was deepened to completion in the Atoka formation from 12,997 to 13,003 feet.

2. Applicant proposes to dedicate the W/2 of Section 28 to the well.

3. The location was orthodox for the formation to which the well was originally projected, but it was not possible to complete for production in that formation. In order to prevent the waste that would occur by drilling at an orthodox location, the unorthodox location for Atoka production should be approved.

WHEREFORE applicant prays that this application be set

for hearing before the Commission or the Commission's duly appointed examiner and after notice and hearing as required by law, the Commission approve the location of this well for production from the Atoka formation as requested.

Respectfully submitted,
WESTERN OIL PRODUCERS, INC.

By Jason Kellahin
KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5881

Order No. R- 5399

APPLICATION OF WESTERN OIL PRODUCERS, INC.
FOR AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 19 77,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of March, 19 77, the Commission,
a quorum being present, having considered the testimony, the record, and
the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Western Oil Producers, Inc., seeks
for its Amoco State Well No. 1, completed in the Atoka formation
approval of an unorthodox gas well location 660 feet from the South

line and 660 feet from the West line of Section 28, Township

16 South, Range 33 East, NMPM, to ~~test the~~

~~formation,~~

Lea County, New Mexico.

(3) That the W/2 of said Section 28 is to be dedicated to the
well. (4)

~~(4) That a well at said unorthodox location will better enable
applicant to produce the gas underlying the proration unit.~~

(5) That no offset operator objected to the proposed unorthodox
location.

(4) That said well was originally projected
as an ~~oil well~~ as ~~Pennsylvanian~~ oil well
in the Kemnitz area but was dry in
the Kemnitz and the Seaman zones and
was subsequently drilled to and completed
in the Atoka zone of the Pennsylvanian
as a gas well.

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Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

The Western Oil Producers, Inc.
(1) That an unorthodox gas well location ~~for the Western Oil Producers, Inc.~~ Amoco State Well No. 1, completed in the Atoka formation ~~formation~~ is hereby approved for ~~a well to be located~~ at a point 660 feet from the South line and 660 feet from the West line of Section 28, Township 16 South, Range 33 East NMPM, _____ Pool, Lea County, New Mexico.

(2) That the W/2 of said Section 28 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.