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April 14, 1995

VIA FACSIMILE

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Re: **REQUEST FOR CONTINUANCE AND
REQUEST FOR PRODUCTION OF DATA**
NMOCD Case 11265: Alto "21" Well No. 1
Application of Nearburg Production Company
for compulsory pooling, Eddy County, New Mexico

NMOCD Case 11263: Ross "EG" Federal Com Well No. 14
Application of Yates Petroleum Corporation for
compulsory pooling, Eddy County, New Mexico

Dear Mr. Carroll:

On behalf of Nearburg Exploration Company I wish to propose to you a procedure for processing the two referenced compulsory pooling cases which currently are scheduled for hearing on the April 20, 1995 docket.

DOCKET MANAGEMENT

Apart for this referenced dispute, currently there are four disputed compulsory pooling cases between Amoco (Carr) and Richardson (Kellahin) which were continued from the April 6, 1995 docket and in all probability will be heard ahead of any disputed cases on the April 20, 1995 docket.

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In addition to the dispute in the referenced cases, the April 20th docket has the Nearburg and Yates compulsory dispute over the Fairchild "24" Well No. 2 (Cases 11264 and 11232).

I anticipate that the Division will not be able to hear the referenced dispute over the Alto-Ross pooling matters on Thursday or Friday of next week.

REQUEST FOR CONTINUANCE

I request your concurrence to continue the referenced cases until the June 1, 1995 Examiner's docket in order to afford an opportunity for Yates to produce and for Nearburg to review the following requested data.

REQUEST FOR DATA

In preparing for hearing the Alto-Ross dispute, I am of the opinion that I need certain data from your client, Yates Petroleum Corporation, in order to properly prepare for the hearing of the referenced case.

Any Cisco-Canyon development to take place in the NE/4 of Section 21, whether by Yates or by Nearburg, and the corresponding compulsory pooling cases including the location of those wells, will be affected by the potential displacement of recoverable hydrocarbons from the injection of produced water into the Cisco/Canyon formations by Yates Petroleum Corporation in its Osage Well No. 1 (Salt Water Disposal Well) located 1980 feet from the north and east lines of Section 21.

Accordingly, on behalf of Nearburg Exploration Company, we request that Yates Petroleum Corporation provide to Nearburg Exploration Company at its offices in Midland, Texas, not later than noon on April 20, 1995 the following information for the Yates Petroleum Corporation's Osage Well No. 1(SWD) located 1980 feet from the north and east lines of

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Section 21, T19S-R25E, NMPM, Eddy County, New Mexico and for each Yates Petroleum Corporation well drilled to or through the Cisco/Canyon formation within one (1) mile of said salt water disposal well:

1. Open-hole Resistivity logs, e.g. Dual Latrologs supplying both a one-inch scale log and a five-inch scale log.
2. Open-hole Porosity logs, e.g., Compensated Neutron-Litho-Density logs, supplying both a one-inch scale log and a five-inch scale log.
3. Mudlogs
4. All cased-hole production logs, including but not limited to caliper logs, spinner surveys, tracer surveys.
5. Fluid data including recombination analysis and/or bottom hole analysis.
6. Reservoir temperature data
7. PVT data, PVT reports and gas analysis including but not limited to molecular weight and API gravity.
8. Reservoir pressure data including but not limited to bottom-hole surveys or pressures, surface pressure readings, daily tubing pressure and casing pressures, drill stem tests, build-up tests, and interference tests, with relevant information as to shut-in time and production rates prior to shut-in.
9. Gas-liquid ratios and tests including a description of any and all test data and zones per well.
10. any core data and analysis including but not limited to conventional or sidewall core data and samples.

11. all production data including, but not limited to all well check records, including gauges/charts for each well on a daily basis from initial testing/completion to date showing actual production of oil, gas and water for each well per day and per month.

11-A. for the subject salt water disposal well, all injection fluid data including, but not limited to all well check records, including gauges/charts for each well on a daily basis from initial testing/completion to date showing actual water injection for said well per day and per month.

12. Chronological reports to include details of: (a) perforating and perforation locations, (b) stimulation fluids, volumes, rates, and pressures for each treated interval, and (c) swabbing, flowing and/or pumping results for each interval that was perforated and tested including Pre and Post stimulation results as applicable.

13. If your client has conducted any reservoir simulation which includes either of the subject wells, then provide: model software description, model parameters and assumptions, model variables, model history matching data, model predictions, subsequent modification.

14. Any petroleum engineering data used or to be used by Yates Petroleum Corporation to justify its application and/or its opposition to Nearburg's application including all pressure data, including but not limited to bottom hole pressure surveys, daily tubing pressure and casing pressure surveys, with relevant information as to shut-in time and production rate prior to shut-in;

