

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

I.

Operator Millard Deck Oil Co. Well Name and No. Shell State Well No. 3
Location: Unit B Sec. 36 Twp. 24S Rng. 36E Cty. Lea

II.

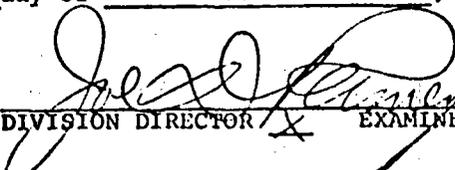
THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, ~~and must grant a waiver of existing well-spacing requirements.~~
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the Jalmat Gas Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 160-acre proration unit comprising the NW/4 NE/4, E/2 NW/4 & NE/4 SW/4 of Sec. 36, Twp. 24S, Rng. 36E, is currently dedicated to the Shell State Well No. 2 located in Unit F of said section.
- (5) That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP-808.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 406,000 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved ~~as an exception to the standard well-spacing requirements for the pool.~~

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is ~~an exception to applicable well-spacing requirements~~ and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this 9th day of November, 19 79.


DIVISION DIRECTOR EXAMINER

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL 7

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

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Operator Millard Deck Oil Co Well Name and No. Shell State Well No 3
Location: Unit B Sec. 36 Twp. 24S Rng. 36E Cty. Lea

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THE DIVISION FINDS:

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(2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

(3) That the well for which a finding is sought is to be completed in the Talmt Gas Pool, and the standard spacing unit in said pool is 640 acres.

(4) That a 160-acre proration unit comprising the NW1/4 NE1/4, E1/2 NW1/4 & NE1/4 SW1/4 of Sec. 36, Twp. 24, Rng. 36, is currently dedicated to the Shell State Well No 2 located in Unit F of said section.

(5) That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP 808.

(6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 406,000 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved, ~~as an exception to the standard well-spacing requirements for the pool.~~

IT IS THEREFORE ORDERED:

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DONE at Santa Fe, New Mexico, on this _____ day of _____, 19 _____.

DIVISION DIRECTOR _____ EXAMINER _____

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

New Mexico Department of Energy & Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Supplement to Application
for Administrative Approval
for NGPA Infill Finding
According to 271.304 and
271.305 for Shell State
No. 3 - Jalmat Tansill Yates
Seven Rivers Gas Pool -
660' FNL & 2310" FEL, Sec. 36,
T24S, R36E, Lea County,
New Mexico.

Gentlemen:

Several questions were raised concerning the original application, dated October 16, 1979, for the Shell State No. 3 application. One question concerned measures taken to control water. A second question concerned how the bottom hole pressure was determined. The third question concerned the calculation for the estimated recoverable gas reserves. A question was raised concerning the relative structural position of Nos. 2 and 3.

First, during the initial completion attempt, this well was perforated from 3299' to 3378'. After treating with 1000 gallons of acid, it swabbed 100% water. A bridge plug was set and a second attempt was made. It was perforated from 3048' to 3065' and treated with 200 gallons of acid. Again it produced 100% water. A bridge plug was again set. The casing was perforated from 2701' to 2771'. After treating with 1000 gallons of acid, the well swabbed dry. It was then fracture treated using 10,000 gallons of gelled brine. Following the fracture treatment the well potentialled for 1½BO and 105 BWPD with 1,150 MCF of gas. Over the next few weeks water production increased. Within 3 months it was producing too much water to economically continue production. It was decided from this performance that the initial cement job on the 4½" casing had resulted in channels so that all zones below 3000' were initially communicated. Following the fracture treatment we felt that a channel had been created downward into the Seven Rivers. Due to the extensive channelling, which we were convinced existed, it was our opinion that numerous squeeze jobs would be required to remedy the poor cement job and that the chances for success would be slim considering the long interval involved. The decision was made to make no further attempt to remedy or complete the well.

Page 2 October 16, 1979
Millard Deck Oil Company
to
New Mexico Department of Energy & Minerals

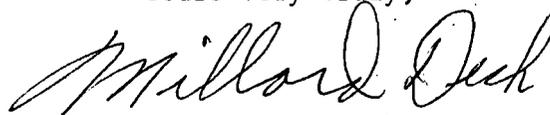
The bottom hole pressure estimate of 450 psi was made based on three items of information. From the enclosed C-105 it will be noted that the well exhibited a casing pressure of 540 psi on a flowing potential test. In September, 1969 El Paso Natural Gas Company reported a 72 hr shut-in pressure of 448 psi. Currently, the well has 1200' of fluid in the hole as indicated by a fluid level shot. This calculates to be in excess of 450 psi.

Enclosed is a copy of a Gamma Ray-Neutron log from the Shell State No. 2. This log has been marked to show the zones of porosity in the Yates that can reasonably be expected to produce gas. There are 80' exhibiting a weighted average of 13% porosity. Using the following assumptions a recalculation of recoverable reserves was made: BHP-450 psi, BH temp. 90°, gas gravity of .7, 80 acre unit, 30% water saturation, 50% of reserves are recoverable. The pore volume containing recoverable gas is calculated to be as $(43560 \text{ ft}^2/\text{ac}) (80 \text{ ac}) (80 \text{ ft with porosity}) (.13 \text{ porosity}) (.7 \text{ gas}) (.5 \text{ recoverable}) = 12,685,000 \text{ ft}^3$. Then calculating the volume of gas at standard conditions of 14.7 psi and 60° F contained in one ft^3 at reservoir conditions of 450 psi and 90° and using a gas deviation factor of .9, it is found that 32 SCF/ ft^3 is contained in the reservoir. Then $(12,685,000) (32) = 408,920,000 \text{ SCF}$ or 405,920 MCF.

A question was also raised concerning the relative structural position of Shell State Nos. 2 and 3. According to the structure map presented, the No. 2 is higher structurally than No. 3, which generally would mean that No. 3 was more likely to be water productive. However in this case the wells along the east side of Section 36 have produced lower volumes of water than wells along the west boundary. Permeability may be a factor in this difference. It is our opinion that the poor quality cement job in the Seven Rivers and Yates sections of No. 2 is the single most important reason for the high water production from No. 2 instead of structural position.

Finally, current plans for No. 2 are to plug and abandon the well as soon as the approval is obtained and equipment is available.

Yours very truly,



Millard Deck

MD/sjb
Enclosures

MILLARD DECK OIL COMPANY

P. O. Box 1047 Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

New Mexico Department of Energy & Minerals
Oil Conservation Division
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MILLARD DECK OIL COMPANY

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Millard Deck

MD/sjb
Enclosures

Handwritten text, possibly a signature or initials, located in the upper left quadrant of the page.

Handwritten text or scribbles located in the bottom right corner of the page.

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Doyle Hartman
508 C & K Petroleum Building
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval For
Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NGPA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

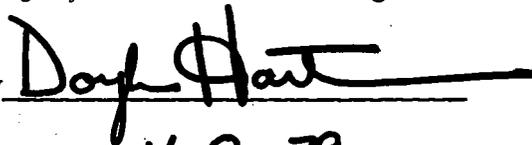


Millard Deck

WAIVER OF OBJECTION

Doyle Hartman hereby waives any objection to the drilling of the
Millard Deck Shell State No. 3.

By



Date

11-8-79

MILLARD DECK OIL COMPANY

P. O. Box 1047 Phone (505) 394-2249
EUNICE, NEW MEXICO 88231

October 16, 1979

Doyle Hartman
508 C & K Petroleum Building
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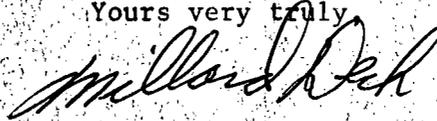
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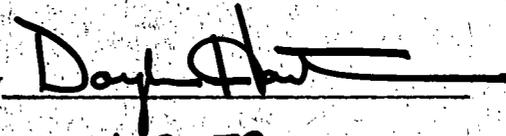


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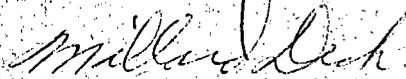
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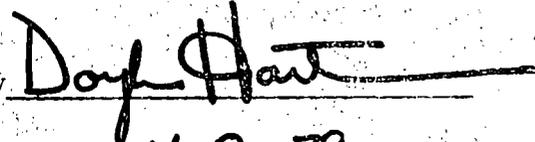


Millard Deck

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By



Date

11-8-79

NEW MEXICO OIL CONSERVATION COMMISSION
GAS WELL SHUT-IN PRESSURE REPORT

Form C-125
Revised 1-1-65

Operator MILLARD DECK	Address BOX 409 - EUNICE, NEW MEXICO	Pool JALMAT	County LEA COUNTY, NEW MEXICO
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LEASE	WELL NO.	LOCATION				DATE PRESS. RUN	TIME S.I. HRS. / MIN.	S.I. PRESSURE PSIG (DWT)	S.I. PRESSURE PSIA	PREV. TEST DATE
		UNIT	SEC.	TWP.	RGE.					
Shell State	2	F	26	24	36	9-17-69	72	435	448.2	New Well

EL PASO NATURAL GAS COMPANY

I hereby certify that the above information is true and complete to the best of my knowledge and belief. SEE RULE 402

Signature Millard Deck Title JAL, NEW MEXICO 88252 Date JAN 27 1970

NEW MEXICO OIL CONSERVATION COMMISSION
GAS WELL SHUT-IN PRESSURE REPORT

Form C-125
Revised 1-1-65

Operator MILLARD DECK	Address BOX 409 - EUNICE, NEW MEXICO	Pool JALMAT	County LEA COUNTY, NEW MEXICO
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LEASE	WELL NO.	LOCATION				DATE PRESS. RUN	TIME S.I. HRS./MIN.	S.I. PRESSURE PSIG (DWT)	S.I. PRESSURE PSIA	PREV. TEST DATE
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Signature <i>Paul B. ...</i>	Title JAL, NEW MEXICO	88252	Date JAN 27 1970
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NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
B-1167-12

1a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVH. OTHER

7. Unit Agreement Name

8. Farm or Lease Name
Shell State

9. Well No.
2

10. Field and Pool, or Wildcat
Jalmat Yates 7R (Gas)

2. Name of Operator
Millard Deck

3. Address of Operator
P. O. Box 409, Eunice, New Mexico 88231

4. Location of Well
UNIT LETTER **F** LOCATED **2310** FEET FROM THE **North** LINE AND **1980** FEET FROM

THE **West** LINE OF SEC. **36** TWP. **24S** RGE. **36E** ANMPM

12. County
Lea

15. Date Spudded **1/3/69** 16. Date T.D. Reached **1/11/69** 17. Date Compl. (Ready to Prod.) **1/13/69** 18. Elevations (DF, RKB, RT, GR, etc.) **3267' GR** 19. Elev. Casinghead **3267'**

20. Total Depth **3430'** 21. Plug Back T.D. **3404'** 22. If Multiple Compl., How Many 23. Intervals Drilled By Rotary Tools Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name
2701' - 2721' Jalmat (Gas)

25. Was Directional Survey Made
No

26. Type Electric and Other Logs Run
Gamma Ray - Neutron, Sonic, Laterlog

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	305'	12-1/4"	230 sacks-circulated	None
4-1/2"	10.50#	3430'	7-7/8"	355 sacks	None

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	2700'	None

30. TUBING RECORD

31. Perforation Record (Interval, size and number)
2701', 2707', 2709', 2721' with four 1/2" holes.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2701' - 2721'	10,000 gals. gelled brine with 10,000# 20-40 sand

33. PRODUCTION

Date First Production **1/13/69** Production Method (*Flowing, gas lift, pumping - Size and type pump*) **Flow** Well Status (*Prod. or Shut-in*) **Prod.**

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
1/17/69	24	48/64"	1.26	1,150	105	912,000	

Flow Tubing Press.	Casing Pressure	Circulated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
175#	540#	1.26	1,150	105	38.3	

34. Disposition of Gas (*Sold, used for fuel, vented, etc.*) **Sold** Test Witnessed By **Royce Crowell**

35. List of Attachments
Gamma Ray - Neutron, Sonic, Laterlog inclination survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED **Millard Deck** TITLE **Owner-Operator** DATE **1/29/69**

INSTRUCTIONS

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. Anly _____	1121'	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	1313'	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	2590'	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	2760'	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	2989'	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	3374'	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____		T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____		T. Simpson _____	T. Gallup _____	T. Ignacio Qtzite _____
T. Glorieta _____		T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____		T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinbry _____		T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____		T. Granite _____	T. Todilto _____	T. _____
T. Drinkard _____		T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo _____		T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____		T. _____	T. Chinle _____	T. _____
T. Penn. _____		T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____		T. _____	T. Penn. "A" _____	T. _____

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	35	35'	Surface & caliche				
35	345	310	Red beds & sand stringers				
310	601	291	Red beds & Anhydrite				
601	1121	520	Red beds, sand & Anhydrite				
1121	1288	167	Anhydrite				
1288	2599	1311	Salt & Anhydrite				
2599	2740	141	Anhydrite				
2740	2935	195	Anhydrite & lime				
2935	3430	495	Lime, sand & dolomite				

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LAND OFFICE	
OPERATOR	

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
B-1167-12

1a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESV. OTHER

7. Unit Agreement Name

8. Farm or Lease Name
Shell State

2. Name of Operator
Millard Deck

3. Address of Operator
P. O. Box 409, Eunice, New Mexico 88231

9. Well No.
2

10. Field and Pool, or Wildcat
Jalmat Yates 7R (Gas)

4. Location of Well
UNIT LETTER **F** LOCATED **2310** FEET FROM THE **North** LINE AND **1980** FEET FROM

12. County
Lea

THE **West** LINE OF SEC. **36** TWP. **24S** RGE. **36E** NMPM

15. Date Spudded **1/3/69** 16. Date T.D. Reached **1/11/69** 17. Date Compl. (Ready to Prod.) **1/13/69** 18. Elevations (DF, RKB, RT, GR, etc.) **3267' GR** 19. Elev. Casinghead **3267'**

20. Total Depth **3430'** 21. Plug Back T.D. **3404'** 22. If Multiple Completions, How Many **→** 23. Intervals Drilled By Rotary Tools **X** Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name
2701' - 2721' Jalmat (Gas)

25. Was Directional Survey Made
No

26. Type Electric and Other Logs Run
Gamma Ray - Neutron, Sonic, Laterlog

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	305'	12-1/4"	230 sacks-circulated	None
4-1/2"	10.50#	3430'	7-7/8"	355 sacks	None

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	2700'	None

31. Perforation Record (Interval, size and number)
2701', 2707', 2709', 2721' with four 1/2" holes.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3701'-3721'	10,000 gals. gelled brine
2701'-2721'	with 10,000# 20-40 sand

33. PRODUCTION

Date First Production **1/13/69** Production Method (*Flowing, gas lift, pumping - Size and type pump*) **Flow** Well Status (*Prod. or Shut-in*) **Prod.**

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
1/17/69	24	48/64"	→	1.26	1,150	105	912,000

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
175#	540#	→	1.26	1,150	105	33.3

34. Disposition of Gas (*Sold, used for fuel, vented, etc.*) **Sold** Test Witnessed By **Royce Crowell**

35. List of Attachments
Gamma Ray - Neutron, Sonic, Laterlog inclination survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED **Millard Deck** TITLE **Owner-Operator** DATE **1/29/69**

INSTRUCTIONS

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 _____	1121'	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	1313'	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	2590'	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	2760'	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	2989'	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	3374'	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____		T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____		T. Simpson _____	T. Gallup _____	T. Ignacio Qtzite _____
T. Glorieta _____		T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____		T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinobry _____		T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____		T. Granite _____	T. Todilto _____	T. _____
T. Drinkard _____		T. Delaware Sand _____	T. Entrada _____	T. _____
T. Abo _____		T. Bone Springs _____	T. Wingate _____	T. _____
T. Wolfcamp _____		T. _____	T. Chinle _____	T. _____
T. Penn. _____		T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____		T. _____	T. Penn. "A" _____	T. _____

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
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35	345	310'	Red beds & sand stringers				
310	601	291'	Red beds & Anhydrite				
601	1121	520'	Red beds, sand & Anhydrite				
1121	1288	167'	Anhydrite				
1288	2599	1311'	Salt & Anhydrite				
2599	2740	141'	Anhydrite				
2740	2935	195'	Anhydrite & lime				
2935	3430	495'	Lime, sand & dolomite				

MILLARD DECK OIL COMPANY

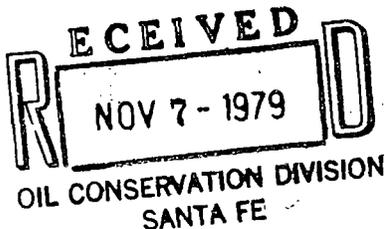
P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

New Mexico Department of Energy & Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501



Re: Application for Administrative Approval for Natural Gas Policy Act Infill Finding According to 271.304 and 271.305 for Shell State No. 3 - Jalmat Tansil Yates Seven Rivers Gas Pool - 660' FNL & 2310' FEL, Sec. 36, T24S, R36E, Lea County, New Mexico

Gentlemen:

Millard Deck respectfully requests your finding, as per requirement in NGPA 271.305, that there is a need for a second well on the previously approved 160 acre proration unit to effectively and efficiently drain Jalmat Pool gas reserves. Your approval is requested in accordance with special rules and regulations set forth under Division Order No. R-6013. The following information is submitted to support our request:

1. Copies of Form C-101 and C-102.
2. A completion attempt will be made in the Jalmat Gas Pool which has a standard proration unit of 640 acres.
3. Division Order NSP-808 established a 160 acre proration unit consisting of the NE/4 SW/4, the E/2 NW/4 and the NW/4 NE/4 Sec. 36-24S-36E. The Shell State No. 3 will be located on the NW/4 NE/4 with the proration unit consisting of the NE/4 NW/4 and the NW/4 NE/4.
4. The Shell State No. 3 has not been spudded. The well will be spudded as soon as practical following your approval of this request.
5. One well has previously been drilled on the 160 acre proration unit and completed in the same reservoir as the proposed well. It is the Shell State No. 2, located 2310' FNL and 1980' FWL, 36-24-36. It was spudded 1/4/69 and completed 1/13/69 through perforations from 2701' to 2777'. This well has been shut in

New well pending NSP

October 16, 1979

Re: Shell State No. 3

- for several years due to excessive water production. The proposed replacement well for the Shell State No. 2 will be moved toward an area which has historically had lower water production.
6. A structure map of the area has been prepared with contours on the top of the Yates formation. The proposed well is indicated on the map along with other wells in the area.
 7. The proposed well will be moved northeastward from the Shell State No. 2 toward an area that has indicated lower water production. Perforations will also be made on a much more selective basis than No. 2. Volumetric calculations and production history from Jalmat gas wells in the area, indicate an additional 350 MMCF of gas will be recovered from this proposed well. These calculations are based on a drainage area of 80 acres, 25' of net pay with 16% average porosity. Reservoir bottom hole pressure is estimated to 450 psi, based on the Shell State No. 2 and other wells in the area.
 8. Offset operators are listed below along with their addresses. Each operator has been notified of this application and has been requested to execute a Waiver of Objection. Copies of their signed Waiver of Objection are included with this application.

Operator

Address

Phillips Petroleum Co.

P. O. Box 2130
Hobbs, NM 88240

Texas Pacific Oil Co.

P. O. Box 4067
Midland, TX 79701

Doyle Hartman

508 C&K Petroleum Bldg.
Midland, TX 79701

Petroleum Corporation of Texas

P. O. Box 1842
Midland, TX 79702

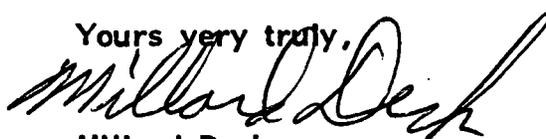
Shell Oil Company

P. O. Box 1509
Midland, TX 79701

Burleson & Huff

P. O. Box 2479
Midland, TX 79701

Yours very truly,



Millard Deck

Enclosures

30-025-26536

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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. Type of Work
b. Type of Well: DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

3. Name of Operator: Millard Deck

4. Address of Operator: P. O. Box 1047, Eunice, NM 88231

4. Location of Well: UNIT LETTER B LOCATED 660 FEET FROM THE North LINE
2310 FEET FROM THE East LINE OF SEC. 36 TWP. 24 S RGE. 36 E NMDM

7. Unit Agreement Name

8. Farm or Lease Name: Shell State

9. Well No.: 3

10. Field and Pool, or Wildcat: Jalmat Gas

12. County: Lea

18. Proposed Depth: 3500'

19A. Formation: Yates Seven Rivers

20. Rotary or C.T.: Rotary

21. (a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z)

21A. Kind & Status Plug. Bond: Blanket on file

21B. Drilling Contractor: Cactus Drlg. Co.

22. Approx. Date Work will start: 11/10/79

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2"	8 5/8"	24#	350'	300	circulate
7 7/8"	5 1/2"	15.5#	3500'	1200	circulate

1. Surface casing will be set at 350' and the cement will be circulated to the surface.
2. 5 1/2" casing will be set at approximately 3500' with a two-stage cementing tool near the top of the salt at approximately 2550'. Bottom stage will be 400 sacks of Class "C" 50-50 Poz and second stage will be 700 sacks of Halliburton Lite, tailed in by 100 sacks of Class "C" neat.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE; GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Signed Millard Deck Title Owner Date 10/23/79

APPROVED BY John W. Kenyon TITLE _____ DATE NOV 5 1979
CONDITIONS OF APPROVAL, IF ANY: **Production from this well will not be authorized until approval is obtained for the non-standard proration unit.**

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

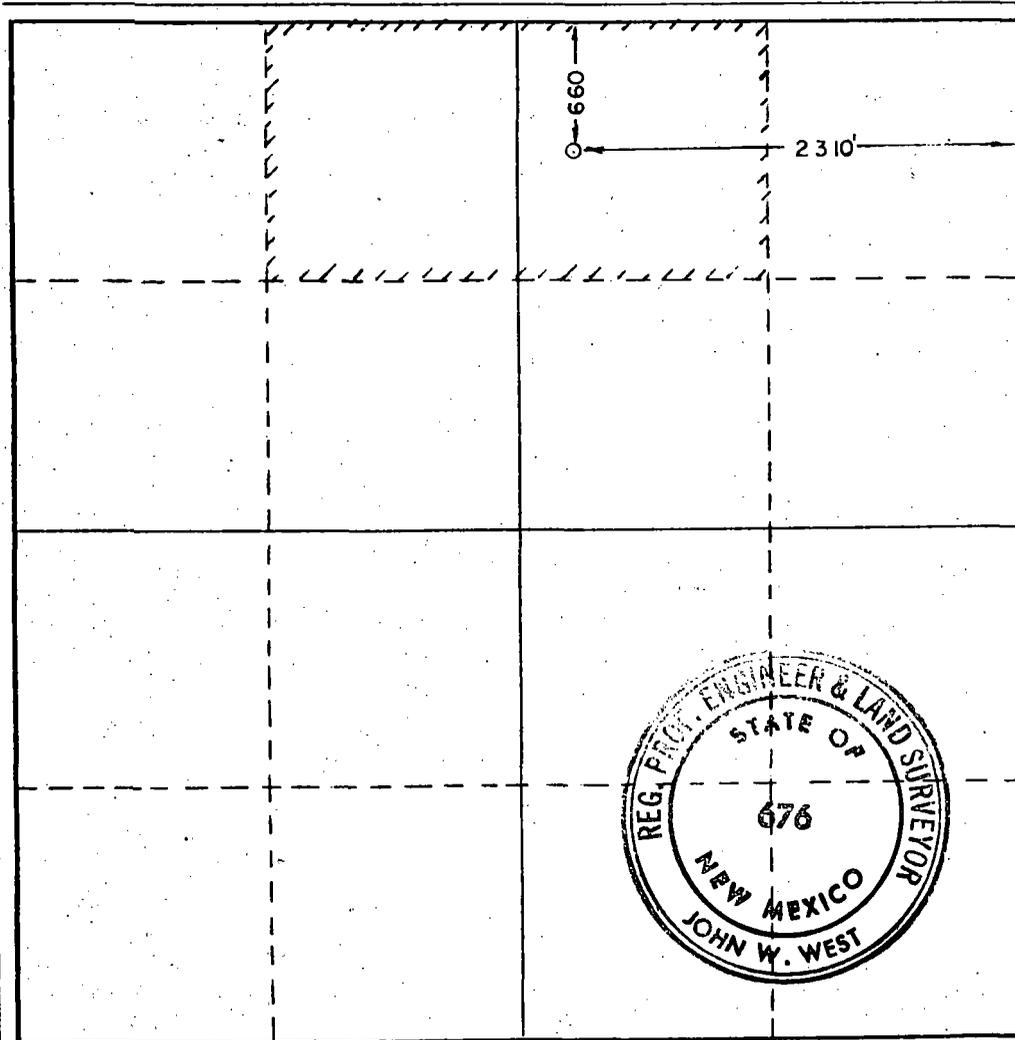
Operator MILLARD DECK			Lease SHELL STATE		Well No. 3
Unit Letter B	Section 36	Township 24 South	Range 36 East	County Lea	
Actual Footage Location of Well: 660 feet from the North line and 2310 feet from the East line					
Ground Level Elev. 3271.8	Producing Formation Yates Seven Rivers		Pool Jalmat Gas		Dedicated Acreage: 80 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

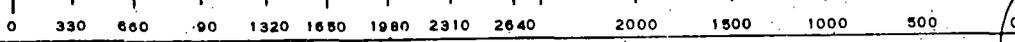
Millard Deck

Name	
Position	Owner
Company	Millard Deck
Date	October 18, 1979

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed	October 17, 1979
Registered Professional Engineer and/or Land Surveyor	<i>John W. West</i>

Certificate No. **676**



MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645



Mailgram



4-061918S306003 11/02/79 ICS IPMBNGZ CSP MIDB
2 9156844011 MGM TDBN MIDLAND TX 11-02 0523P EST

MILLARD DECK
PO BOX 1047
EUNICE NM 88231

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

SIGNED WAIVER FOR YOUR WELL IN THE NORTHWEST QUARTER NORTHEAST
QUARTER SECTION 36 T24S R36E WILL BE DELIVERED TO YOU ONLY WHEN YOU
DELIVER TO ME SIGNED FARMOUT LETTER PER PREVIOUSLY AGREED TO TERMS OF
A 65 PERCENT NET REVENUE INTEREST TO ME COVERING SOUTHEAST QUARTER
NORTHWEST QUARTER SECTION 36 T24S R36E REPLY IMMEDIATELY SINCE YOU
WANT TO START YOUR WELL IN THE NORTHWEST QUARTER NORTHEAST QUARTER
SECTION 36. MONDAY NOVEMBER 5-1979

DOYLE HARTMAN

1727 EST

MGMCOMP MGM

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

MURKIN, NEW MEXICO 88231

October 16, 1979

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NPGA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Waiver of Objection

Texas Pacific Oil Company hereby waives any objection to the
drilling of the Millard Deck Shell State No. 3.

By R. J. Womack jr
R. J. Womack - Regional Manager

Date 10/19/79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394 2249

MIDLAND, NEW MEXICO 88201

October 16, 1979

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NCPA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Waiver of Objection

Texas Pacific Oil Company hereby waives any objection to the
drilling of the Millard Deck Shell State No. 3.

By

R. J. Womack
R. J. Womack - Regional Manager

Date

10/19/79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Shell Oil Company
P. O. Box 1509
Midland, Texas 79701

RE: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding for Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NGPA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Millard Deck

Waiver of Objection

Shell Oil Company waives any objection to the drilling of the
Millard Deck Shell State No. 3.

By

A. F. Osborne

DATE

10-26-79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Burleson & Huff
P. O. Box 2479
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

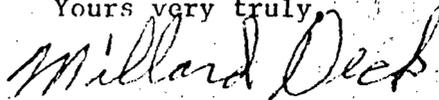
Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NGPA 271.304
and 271.305 in accordance with Division Order No. R-6013,

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

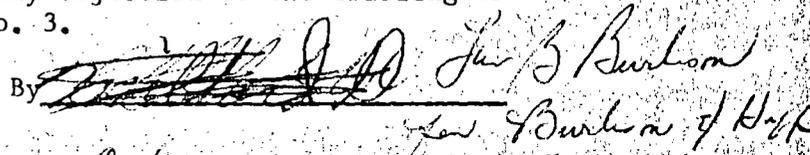


Millard Deck

Waiver of Objection

Burleson & Huff hereby waives any objection to the drilling of
the Millard Deck Shell State No. 3.

By



Date

Oct. 22, 1979

In order to be eligible for the OED, you are requested to return the copy of the...

The following information is required for the OED...

Very truly,

William D. ...

Waiver of Objection

Petroleum Corporation of Texas
Millard Deck Shell State No. 31

BY

...

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Petroleum Corporation of Texas
P. O. Box 1842
Midland, TX 79701

**Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell State
No. 3**

Gentlemen:

Enclosed you will find copies of our applications to the Oil Conservation Division for the finding required by NGPA 271.304 and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested to execute the Waiver of Objection below and to return one copy for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

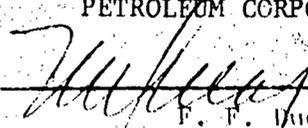
Millard Deck

Waiver of Objection

Petroleum Corporation of Texas hereby waives any objection to the drilling of the Millard Deck Shell State No. 3.

PETROLEUM CORPORATION OF TEXAS

By


F. F. Dueser

Date

11-2-79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico 88240

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

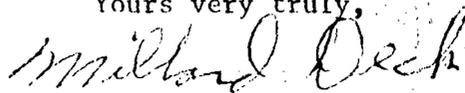
Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the find required by NGPA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,



Millard Deck

Waiver of Objection

Phillips Petroleum Company hereby waives any objection to the
drilling of the Millard Deck Shell State No. 3.

By



Director, Reservoir Engineering

Date

10/24/79

Odessa Area, Southeastern Region

MILLARD DECK OIL COMPANY

P. O. Box 1047

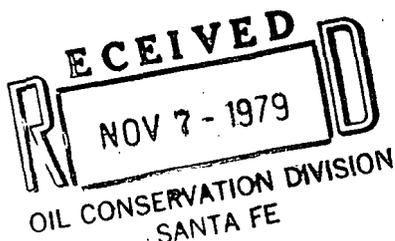
Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

New Mexico Department of Energy & Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Re: Application for Administrative
Approval for Natural Gas Policy
Act Infill Finding According to
271.304 and 271.305 for Shell
State No. 3 - Jalmat Tansil Yates
Seven Rivers Gas Pool - 660' FNL
& 2310' FEL, Sec. 36, T24S, R36E,
Lea County, New Mexico



Gentlemen:

Millard Deck respectfully requests your finding, as per requirement in NGPA 271.305, that there is a need for a second well on the previously approved 160 acre proration unit to effectively and efficiently drain Jalmat Pool gas reserves. Your approval is requested in accordance with special rules and regulations set forth under Division Order No. R-6013. The following information is submitted to support our request:

1. Copies of Form C-101 and C-102.
2. A completion attempt will be made in the Jalmat Gas Pool which has a standard proration unit of 640 acres.
3. Division Order NSP-808 established a 160 acre proration unit consisting of the NE/4 SW/4, the E/2 NW/4 and the NW/4 NE/4 Sec. 36-24S-36E. The Shell State No. 3 will be located on the NW/4 NE/4 with the proration unit consisting of the NE/4 NW/4 and the NW/4 NE/4.
4. The Shell State No. 3 has not been spudded. The well will be spudded as soon as practical following your approval of this request.
5. One well has previously been drilled on the 160 acre proration unit and completed in the same reservoir as the proposed well. It is the Shell State No. 2, located 2310' FNL and 1980' FWL, 36-24-36. It was spudded 1/4/69 and completed 1/13/69 through perforations from 2701' to 2777'. This well has been shut in

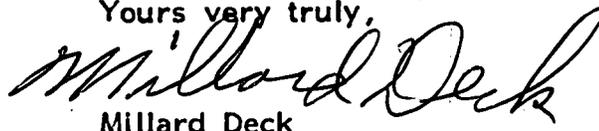
October 16, 1979

Re: Shell State No. 3

- for several years due to excessive water production. The proposed replacement well for the Shell State No. 2 will be moved toward an area which has historically had lower water production.
6. A structure map of the area has been prepared with contours on the top of the Yates formation. The proposed well is indicated on the map along with other wells in the area.
 7. The proposed well will be moved northeastward from the Shell State No. 2 toward an area that has indicated lower water production. Perforations will also be made on a much more selective basis than No. 2. Volumetric calculations and production history from Jalmat gas wells in the area, indicate an additional 350 MMCF of gas will be recovered from this proposed well. These calculations are based on a drainage area of 80 acres, 25' of net pay with 16% average porosity. Reservoir bottom hole pressure is estimated to 450 psi, based on the Shell State No. 2 and other wells in the area.
 8. Offset operators are listed below along with their addresses. Each operator has been notified of this application and has been requested to execute a Waiver of Objection. Copies of their signed Waiver of Objection are included with this application.

<u>Operator</u>	<u>Address</u>
Phillips Petroleum Co.	P. O. Box 2130 Hobbs, NM 88240
Texas Pacific Oil Co.	P. O. Box 4067 Midland, TX 79701
Doyle Hartman	508 C&K Petroleum Bldg. Midland, TX 79701
Petroleum Corporation of Texas	P. O. Box 1842 Midland, TX 79702
Shell Oil Company	P. O. Box 1509 Midland, TX 79701
Burleson & Huff	P. O. Box 2479 Midland, TX 79701

Yours very truly,


Millard Deck

Enclosures

30-025-26536

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Millard Deck

3. Address of Operator
P. O. Box 1047, Eunice, NM 88231

4. Location of Well
UNIT LETTER B LOCATED 660 FEET FROM THE North LINE
AND 2310 FEET FROM THE East LINE OF SEC. 36 TWP. 24 S RGL. 36 E NADPH

7. Unit Agreement Name

8. Farm or Lease Name
Shell State

9. Well No.
3

10. Field and Pool, or Wildcat
Jalmat Gas

12. County
Lea

13. Proposed Depth
3500'

19A. Formation
Yates Seven Rivers

20. Rotary or C.T.
Rotary

21. Approx. Depth (Show whether DF, RT, etc.)
3272' GR

21A. Kind & Status Plug. Bond
Blanket on file

21B. Drilling Contractor
Cactus Drlg. Co.

22. Approx. Date Work will start
11/10/79

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	350'	300	circulate
7 7/8"	5 1/2"	15.5#	3500'	1200	circulate

1. Surface casing will be set at 350' and the cement will be circulated to the surface.
2. 5 1/2" casing will be set at approximately 3500' with a two-stage cementing tool near the top of the salt at approximately 2550'. Bottom stage will be 400 sacks of Class "C" 50-50 Poz and second stage will be 700 sacks of Halliburton Lite, tailed in by 100 sacks of Class "C" neat.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLENDOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Millard Deck Title Owner Date 10/23/79

(This space for State Use)

APPROVED BY John W. Newnam TITLE _____ DATE NOV 5 1979

CONDITIONS OF APPROVAL, IF ANY: **Production from this well will not be authorized until approval is obtained for the non-standard production unit.**

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

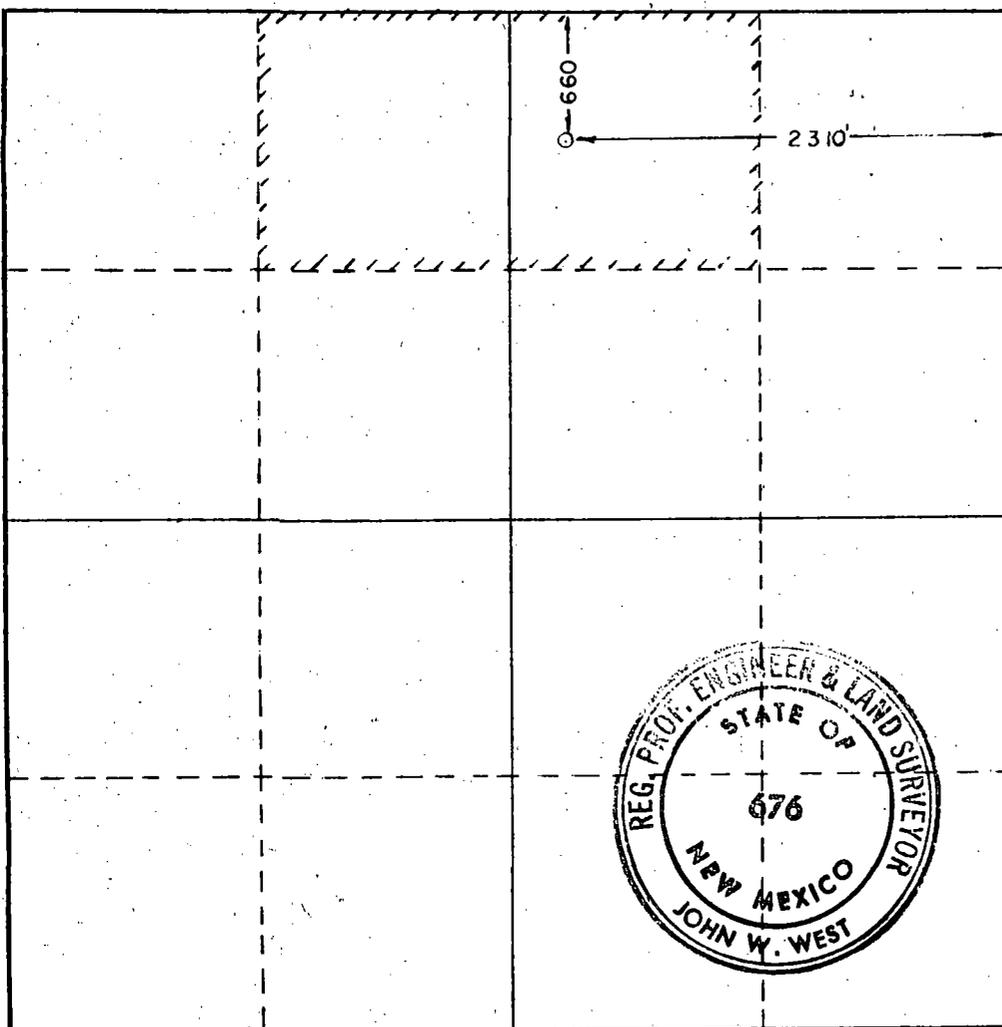
Operator MILLARD DECK		Lease SHELL STATE			Well No. 3
Unit Letter B	Section 36	Township 24 South	Range 36 East	County Lea	
Actual Footage Location of Well: 660 feet from the North line and 2310 feet from the East line					
Ground Level Elev. 3271.8	Producing Formation Yates Seven Rivers		Pool Jalmat Gas	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Millard Deck

Name

Position

Owner

Company

Millard Deck

Date

October 18, 1979

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

October 17, 1979

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. 676



MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645

western union Mailgram



4-061918S306003 11/02/79 ICS IPMBNGZ CSP MIDB
2 9156844011 MGM TDBN MIDLAND TX 11-02 0523P EST

MILLARD DECK
PO BOX 1047
EUNICE NM 88231

THIS IS A CONFIRMATION COPY OF A PREVIOUSLY PHONE-DELIVERED TELEGRAM
SIGNED WAIVER FOR YOUR WELL IN THE NORTHWEST QUARTER NORTHEAST
QUARTER SECTION 36 T24S R36E WILL BE DELIVERED TO YOU ONLY WHEN YOU
DELIVER TO ME SIGNED FARMOUT LETTER PER PREVIOUSLY AGREED TO TERMS OF
A 65 PERCENT NET REVENUE INTEREST TO ME COVERING SOUTHEAST QUARTER
NORTHWEST QUARTER SECTION 36 T24S R36E REPLY IMMEDIATELY SINCE YOU
WANT TO START YOUR WELL IN THE NORTHWEST QUARTER NORTHEAST QUARTER
SECTION 36 MONDAY NOVEMBER 5 1979
DOYLE HARTMAN

1727 EST

MGMCOMP MGM

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394 2249

MIDLAND, NEW MEXICO 88231

October 16, 1979

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NCPA 271.304
and 271.305 in accordance with Division Order No. R-6012.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Waiver of Objection

Texas Pacific Oil Company hereby waives any objection to the
drilling of the Millard Deck Shell State No. 3.

By R. J. Womack
R. J. Womack - Regional Manager

Date 10/19/79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Shell Oil Company
P. O. Box 1509
Midland, Texas 79701

RE: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding for Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NGPA 271.304
and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Millard Deck

Waiver of Objection

Shell Oil Company waives any objection to the drilling of the
Millard Deck Shell State No. 3.

By *A.F. Osborne*

DATE 10-26-79

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Burleson & Huff
P. O. Box 2479
Midland, Texas 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

Gentlemen:

Enclosed you will find copies of our applications to the Oil
Conservation Division for the finding required by NCPA 271.304
and 271.305 in accordance with Division Order No. R-6013,

In order to expedite the approval by the OCD, you are requested
to execute the Waiver of Objection below and to return one copy
for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Millard Deck

Waiver of Objection

Burleson & Huff hereby waives any objection to the drilling of
the Millard Deck Shell State No. 3.

By

J. B. Burleson
J. B. Burleson
for Burleson & Huff

Date

Oct. 22, 1979

MILLARD DECK OIL COMPANY

P. O. Box 1047

Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Petroleum Corporation of Texas
P. O. Box 1842
Midland, TX 79701

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell State
No. 3

Gentlemen:

Enclosed you will find copies of our applications to the Oil Conservation Division for the finding required by NCPA 271.304 and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested to execute the Waiver of Objection below and to return one copy for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,

Millard Deck

Waiver of Objection

Petroleum Corporation of Texas hereby waives any objection to the drilling of the Millard Deck Shell State No. 3.

PETROLEUM CORPORATION OF TEXAS

By

F. F. Dueser
F. F. Dueser

Date

11-2-79

MILLARD DECK OIL COMPANY

P. O. Box 1047 Phone (505) 394-2249

EUNICE, NEW MEXICO 88231

October 16, 1979

Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico 88240

Re: Enclosed Applications For
Administrative Approval
For Natural Gas Policy Act
Infill Finding For Shell
State No. 3.

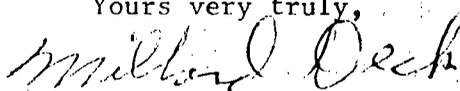
Gentlemen:

Enclosed you will find copies of our applications to the Oil Conservation Division for the find required by NGPA 271.304 and 271.305 in accordance with Division Order No. R-6013.

In order to expedite the approval by the OCD, you are requested to execute the Waiver of Objection below and to return one copy for use with the OCD.

Thank you for your cooperation in securing these approvals.

Yours very truly,



Millard Deck

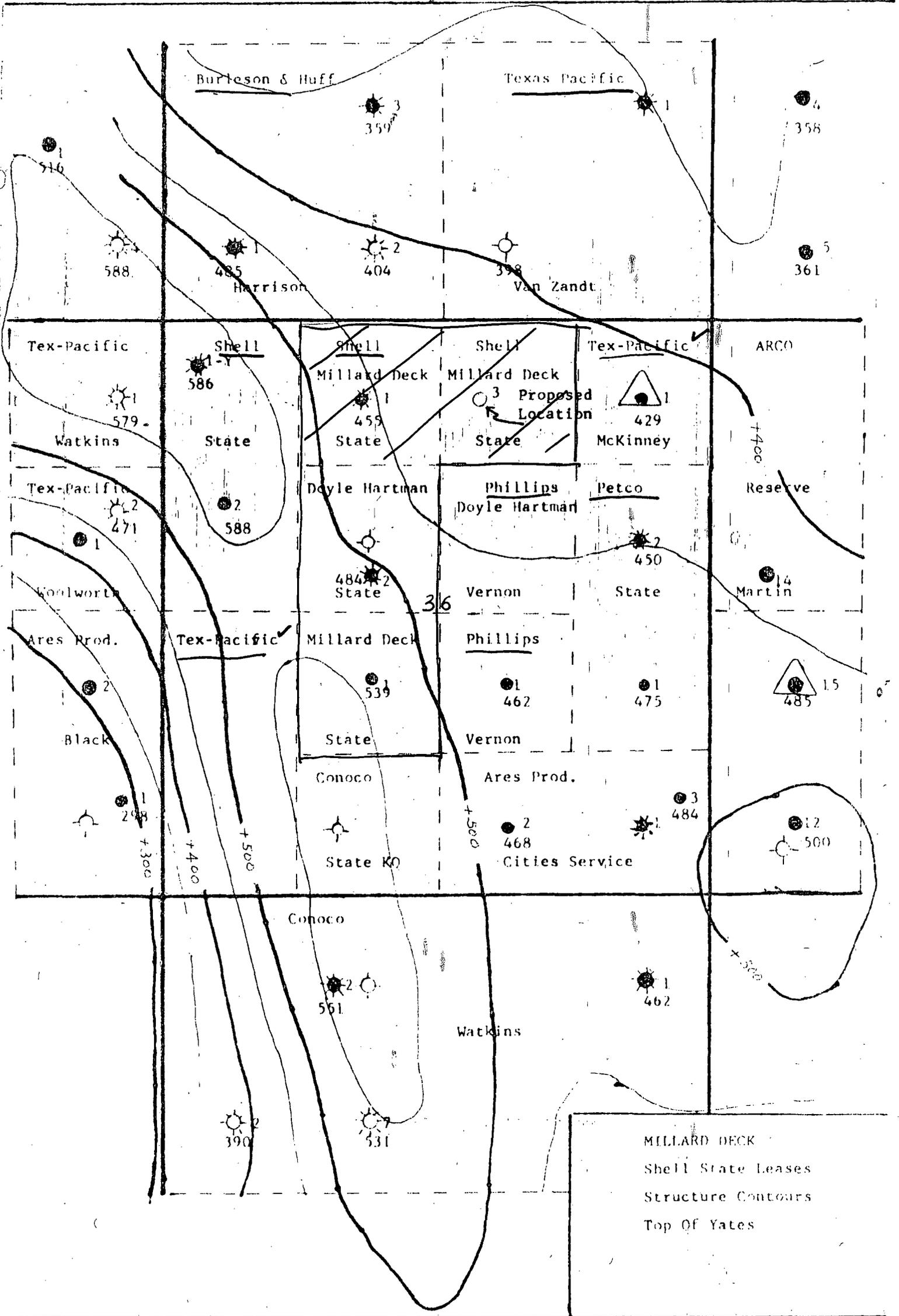
Waiver of Objection

Phillips Petroleum Company hereby waives any objection to the drilling of the Millard Deck Shell State No. 3.

By 
Director, Reservoir Engineering

Date 10/24/79

Odessa Area, Southeastern Region



MILLARD DECK
 Shell State Leases
 Structure Contours
 Top Of Yates