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2014

W. P. Prentiss
By M. J. McLean, Agent
7-7-1960

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F. C. G. E. N.

C. H. Lyons Jr.
By M. J. McEain, Agent,
7-7-1960

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RECEIVED
JUL 11 1960
FBI - NEW YORK

New Mexico Oil Conservation Commission
Post Office Box 571
Santa Fe, New Mexico

Gentlemen:

The undersigned, being an owner and operator of gas wells in the Jalmat Gas Pool in Lea County, New Mexico, favors and recommends the adoption and approval of the application of Olson Oil, Inc. and the Jal Oil Company to amend and change Order R-957 of your Commission insofar as said Order covers the gas pool rules of the Jalmat Gas Pool.

It is our understanding that such application is set for hearing on July 13, 1960.

Yours truly,


Albert Gackle

Date: June 24, 1960

1. *Phragmites* (common)

[illegible]

1. The first part of the document is a letter from the author to the editor, dated 1960.

Journal of Management Education 30(6)p. 789-804
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WESTATES PETROLEUM COMPANY

BY

By Nath R. Wirth

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840. 84

6/29/1960

ILLEGIBLE

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

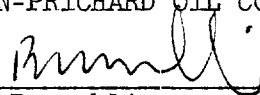
The undersigned, being an owner and operator of gas wells in the Jalmat Gas Pool in Lea County, New Mexico, has no objection to the application of Olsen Oils, Inc. and the Jal Oil Company to amend and change Order R-967 of your Commission insofar as said Order covers the gas pool rules of the Jalmat Gas Pool.

It is our understanding that such application is set for hearing on July 13, 1960.

Yours truly

ANDERSON-PRICHARD OIL CORPORATION

By


R. W. Brauchli

Vice President Exploration and
Production

Date: June 24, 1960

New Mexico Oil Corporation Commission
Petroleum Office Box 873
Santa Fe, New Mexico

Enclosure:

The undersigned, being an owner and operator of gas wells in the Santa Fe Area in the County of Santa Fe, New Mexico, hereby recommends and approves and approval of the application of Olson Oil, Inc. and the Oil Company to amend and change Order No. 800 of your Commission insofar as said Order relates to pool number 100 in Santa Fe Pool.

It is so much standing and such as the action is set for hearing on July 13, 1960.

Very truly,
Yours,

Ralph Lowe
Ralph Lowe

Date: June 27, 1960

ILLEGIBLE

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

The undersigned, being an owner and operator of gas wells in the Jalmat Gas Pool in San County, New Mexico, favors and recommends the adoption and approval of the application of Olson Oil, Inc. and the Jai Oil Company to amend and change Order R-987 of your Commission insofar as said Order covers the gas pool rules of the Jalmat Gas Pool.

It is our understanding that such application is set for hearing on July 13, 1960.

Yours truly,

HUSKY OIL COMPANY

By *M. J. Wierfel*

Date: *6/29/60*

ILLEGIBLE

Page 201

GIRAND & STOUT
LAWYERS

204 NEW MEXICO BANK AND TRUST CO. BUILDING
HOBBS, NEW MEXICO

W. D. GIRAND
LOWELL STOUT

MAIN OFFICE CCC

1960 JUN 9 PM 3:46

June 7, 1960

TELEPHONE:
EXPRESS 3-9116
POST OFFICE BOX 1445

Handwritten:
Girard & Stout's
But wants you to
look this over
and offer any
suggestions.

New Mexico Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Attention: Mr. A. L. Porter
Secretary

Dear Mr. Porter:

This will acknowledge receipt of your letter of May 16th addressed to the Jal Oil Company and Olsen Oil Company with copies to the officials and individuals receiving a copy of this letter.

The writer has considered the respective proration orders pertaining to the Jalmat Gas Pool and it is my present belief that with the following changes to Order R-967 the relief made for dry gas wells producing water such as the subject wells of the Jal Oil Company and Olsen Oils, Inc. will be obtained. We propose the following suggested changes:

Handwritten: ~~Rule 6~~
"Rule 6 of Order R-967 should be amended by the addition of the following paragraph preceding the second paragraph under paragraph (b): "A distress well, as hereinafter defined, shall be allowed to produce the amount of gas that it is capable of producing under production methods approved by the Commission."

The third paragraph, subparagraph (b), should be amended by adding, following the word "marginal" in the second line: "and distress".

Subparagraph (c) of Rule 6 should be amended by inserting the following after the word "wells" on the first line: "except distress wells,..."

Subparagraph (d) under Rule 6 should be amended by adding after the word "well": "except a well classified as a distress well,..."

Handwritten:
July 13th
Dorchester
Filed
July 18th

Rule 8, paragraph 3, following the word "ability" at the end of the second sentence should be added: "except wells classified as distress wells."

The fifth paragraph of Rule 8 should be amended to read as follows: "The director may reclassify a distress well, a marginal well or non-marginal well at any time the well's production data, deliverability data, or other evidence as to the well's producing ability, justifies such reclassification."

The tenth paragraph should be rewritten as follows: "All wells not classified as marginal wells or distress wells shall be classified as non-marginal wells."

The following paragraph should be added to Rule 8: "A well shall be classified as a distress well when the following conditions exist: (1) The well is connected to a low pressure dry gas line; (2) The well is producing through artificial means, either a free floating piston or pumpjack, or the well is making water in such amounts as after a 72-hour shut-in period the well becomes logged off and is unable to be restored to producing pressure after being swabbed for not less than 24 hours; (3) That all acreage belonging to the operator capable of being assigned to said well has been assigned; (4) The operator must furnish to the Commission a report detailing the method employed by the operator in producing the well sought to be classified as a distress well, giving the operating interval employed in using the free floating piston, or the operating interval used in the operation of the pumpjack, as the case may be, and such other and further information as the Commission may desire from time to time."

Rule 10 should be amended by adding the following paragraph: "Wells classified as distress wells shall be exempt from the provisions of this rule."

We respectfully request any suggestions or observations you would care to make. We believe that with the amendments, gas wells making water can be protected against premature

New Mexico Oil Conservation Commission
Page 3
June 7, 1960

abandonment and will protect the correlative rights of all operators.

On or before the 24th of June, the Jal Oil Company and Olsen Oils, Inc. will file an application proposing the adoption of the above proposed amendments and additions.

Respectfully submitted,

GIRARD & STOUT

BY: 

G/jb

cc: Governor John Burroughs
State Capitol
Santa Fe, New Mexico

State Land Commissioner
Murray E. Morgan
Mabry Hall
Santa Fe, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2945
Hobbs, New Mexico
Attention: Mr. Joe Ramey

El Paso Natural Gas Company
El Paso Natural Gas Building
El Paso, Texas
Attention: Mr. Norman Woodruff

GIRAND & STOUT

LAWYERS

204 NEW MEXICO BANK AND TRUST CO. BUILDING
HOBBS, NEW MEXICO

W. D. GIRAND
LOWELL STOUT

TELEPHONE:
EXPRESS 3-9116
POST OFFICE BOX 1445

June 16, 1960

JUN 16 1960 22

New Mexico Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Attention: Mr. A. L. Porter
Secretary

Re: Proposed Rule Change of
Jalmat Gas Pool Rule,
Order R-967

Dear Mr. Porter:

We are enclosing original and three copies of the Application of Jal Oil Company and Olsen Oils, Inc., requesting certain changes in Order R-967, insofar as said Order covers the Jalmat Gas Pool.

It is our understanding that the Commission proposes to hear this matter on July 13, 1960, at its regular meeting.

Please file this formal Application.

Respectfully submitted,

GIRAND & STOUT

BY: 

G/bb
Encls.

cc: Olsen Oils, Inc.
2808-14 Liberty Bank Building
Oklahoma City 2, Oklahoma

Jal Oil Company
Post Office Box 1744
Midland, Texas

July 13 1960
Received
July 13 1960
[Signature]

MAIN OFFICE 600

BEFORE THE OIL CONSERVATION COMMISSION²

OF THE STATE OF NEW MEXICO

APPLICATION OF OLSEN OILS, INC.)
AND THE JAL OIL COMPANY TO AMEND)
AND CHANGE ORDER R-967 OF THIS)
COMMISSION, INsofar AS SAID ORDER)
COVERS THE GAS POOL RULES OF THE)
JALMAT GAS POOL.)

CASE NO. _____

COMES NOW Olsen Oils, Inc., a corporation, and Jal Oil Company, a corporation, and files this its Application requesting changes and amendments in Order R-967, insofar as said Order pertains to the Pool Rules of the Jalmat Gas Pool, and for cause would show:

1. Applicants are the owners and producers of gas wells located in the Jalmat Gas Pool connected to low pressure dry gas lines and being produced by mechanical methods, due to the encroachment of water.

2. That many of applicants' wells have been shut-in because of overproduction and applicants have sought relief from the Commission in consolidated Case No. 1779 and applicant Jal Oil Company sought relief in its Case No. 1941, both cases resulting in an Order of the Commission allowing applicants to make up their overproduction by producing their

wells at seventy-five per cent of the well's current allowable.

3. That gas wells belonging to applicants, making water and being mechanically produced, cannot be operated and produced under Order R-967, or under the exceptions granted in Case No. 1779 and Case No. 1941.

4. That unless relief is granted to operators in the Jalmat Gas Pool having gas wells connected to low pressure dry gas lines, making water and being produced by mechanical means, large reserves of natural gas will be wasted and the correlative rights of operators of such wells will be destroyed.

5. Applicants would further show that the Commission has repeatedly held that it was bound by Order R-967, covering the Gas Pool Rules of the Jalmat Gas Pool, and that no greater relief can be given the applicants herein, or others, than as has heretofore been afforded in Case No. 1779 and Case No. 1941, under the existing Order R-967.

6. Applicants would show that in light of the Commission's rule, it is necessary for the Commission to amend its Order R-967 in such manner as to afford relief to owners and operators of gas wells connected to low pressure dry gas lines producing water and being produced through mechanical means,

and applicants believe that the following amendments, changes and additions to Order R-967 will afford such relief to the operators and to the Commission and will result in a great saving of natural gas reserves in the Jalmat Gas Pool.

We respectfully submit the following changes:

Rule 6 of Order R-967 should be amended by the addition of the following paragraph preceding the second paragraph under paragraph (b): "A distress well, as hereinafter defined, shall be allowed to produce the amount of gas that it is capable of producing under production methods approved by the Commission."

The third paragraph, subparagraph (b), should be amended by adding, following the word "marginal" in the second line: "and distress".

Subparagraph (c) of Rule 6 should be amended by inserting the following after the word "wells" on the first line: "except distress wells, . . ."

Subparagraph (d) under Rule 6 should be amended by adding, after the word "well": "except a well classified as a distress well, . . ."

Rule 8, paragraph 3, following the word "ability" at the end of the second sentence, should be added: "except wells classified as distress wells."

The fifth paragraph of Rule 8 should be amended to read as follows: "The director may reclassify a distress well, a marginal well or non-marginal well at any time the well's production data, deliverability data, or other evidence as to the well's producing ability, justifies such reclassification."

The tenth paragraph should be rewritten as follows: "All wells not classified as marginal wells or distress

wells shall be classified as non-marginal wells."

The following paragraph should be added to Rule 8: "A well shall be classified as a distress well when the following conditions exist: (1) The well is connected to a low pressure dry gas line; (2) The well is producing through artificial means, either a free floating piston or pumpjack, or the well is making water in such amounts as after a 72-hour shut-in period the well becomes logged off and is unable to be restored to producing pressure after being swabbed for not less than 24 hours; (3) That all acreage belonging to the operator capable of being assigned to said well has been assigned; (4) The operator must furnish to the Commission a report detailing the method employed by the operator in producing the well sought to be classified as a distress well, giving the operating interval employed in using the free floating piston, or the operating interval used in the operation of the pumpjack, as the case may be, and such other and further information as the Commission may desire from time to time."

Rule 10 should be amended by adding the following paragraph: "Wells classified as distress wells shall be exempt from the provisions of this rule."

WHEREFORE, applicants pray that after notice and hearing the Commission issue its appropriate Order changing, amending and adding to Order R-967 the above proposed changes and additions, and for such other relief as the Commission deems fit in the premises.

GIRAND & STOUT

BY: 

Post Office Box 1445
Hobbs, New Mexico

(Attorneys for Applicants)



TIDEWATER OIL COMPANY

B O X 1 4 0 4 , H O U S T O N 1 , T E X A S

PRORATION & UNITIZATION

J. B. HOLLOWAY, DIVISION SUPERVISOR
JOHN S. CAMERON, JR., PRORATION ENGINEER

July 8, 1960

Oil Conservation Commission
State of New Mexico
Hobbs, New Mexico

Attention: Mr. A. L. Porter, Jr., Member and Secretary

Re: Case No. 2014, Application of Jal Oil Company and
Olsen Oils, Inc. for a Revision of the Jalmat Gas
Pool Rules by Creating a Category of Wells Known as
"Distress Wells".

Gentlemen:

This is to advise that Tidewater Oil Company
objects to the creation of a class of wells in New Mexico
to be designated as "distress wells", and classified as
such by the determination as set out in the notice of
hearing.

Our objection is based primarily on the precedent
that it would establish and the administrative difficulties
the Commission would encounter if such a rule became preva-
lent in the State of New Mexico.

Yours very truly,

JBH:vh

COPY

GOVERNOR

JOHN BURROUGHS
CHAIRMAN

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 1
CASE 12871

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 871
SANTA FE

May 10, 1960

Jal Oil Company and Olsen Oil Company
c/o Mr. W. D. Girard, Attorney at Law
P. O. Box 1445
Hobbs, New Mexico

Gentlemen:

It is our understanding that you are now in the process of drafting a proposed rule change for the Jalmat Gas Pool which would, under certain limited conditions, exempt wells with severe water problems from prorationing. As we understand your request, it is that certain Olsen and Jal Oil Company wells be permitted to produce at an unrestricted rate pending the hearing of your case on the proposed rule change, inasmuch as two Jal Oil Company wells have allegedly been lost since Case No. 1941 was heard on April 13, 1960.

It is with considerable reluctance that the Commission has decided to allow Olsen and Jal to produce the nine wells listed below at an unrestricted rate until August 1, 1960, without regard to their more than six-times overproduced status:

Olsen Cooper B Well No. 2, NE/4 NW/4 of Section 14, Township 24 South, Range 36 East.

Olsen Myers B Well No. 1, SE/4 NW/4 of Section 13, Township 24 South, Range 36 East.

Olsen S. R. Cooper Well No. 1, SE/4 NE/4 of Section 23, Township 24 South, Range 36 East.

May 16, 1960

Olsen Winningham Well No. 3, NE/4 SE/4 of Section 30, Township 25 South, Range 37 East.

Jal Legal Well No. 2, NE/4 SE/4 of Section 21, Township 25 South, Range 37 East.

Jal Dyer Well No. 3, SE/4 NE/4 of Section 31, Township 25 South, Range 37 East.

Jal Jenkins Well No. 1, SW/4 SW/4 of Section 29, Township 25 South, Range 37 East.

Jal Watkins Well No. 2, SE/4 NE/4 of Section 35, Township 24 South, Range 36 East.

Jal Owens Well No. 1, SW/4 SW/4 of Section 21, Township 25 South, Range 37 East.

The primary reason that we have decided to grant this temporary exception is to see if any of the above-described wells which are not now producing can be brought back to a producing status.

The Commission will expect you to file your application for a rule change in the near future and certainly no later than June 24th, 1960, so that the case can be heard July 13, 1960. If the application is filed in the near future, it can be circulated to other Jalmat operators prior to the July hearing, thus lessening the chances that an operator may ask for a continuance in order to study the proposed rule. But in any event, this temporary administrative exception will not be extended beyond August 1, 1960.

During the period from the present until July 10, 1960, you are directed to make every effort to restore any of the subject wells to production which are now or may become incapable of producing due to water encroachment. Twenty-four hours prior to attempting to restore any such well to production, you are directed to notify the Hobbs District Office of the Oil Conservation Commission of your plans so that a Commission representative may be present to witness such operations.

May 16, 1960

The Commission wishes to make it perfectly clear that this temporary exception to shut-in for overproduction is in no way to be construed as an indication that the Commission will adopt any proposed rule change. In fact, on the basis of the information presently available, there is a very strong feeling among our entire engineering and geological staff that no well in the Jalmat Gas Pool should be exempt from prorationing at the present time. The majority feeling is that no well should ever be exempt until remedial work has proved to be unsuccessful and the installation of a bottom-hole pump has proved to be ineffective.

In the event your proposed rule change is not adopted, the Jalmat proration rules will, of course, continue to apply to these wells. Any production in excess of allowable production, including production between now and August 1 will have to be compensated for by curtailed production or complete shut-in commencing August 1, 1960.

Inasmuch as Case No. 1941, heard on April 13, 1960, dealt with only three wells, two of which you say have now gone dead, a rehearing of this case would serve no useful purpose - particularly since you do not allege that you have any new evidence. Accordingly, your request for a rehearing of Case No. 1941 will be denied.

If you are dissatisfied with the Commission decision in your rule change case, you can always appeal that decision, and thus receive a judicial determination of essentially the same matters.

Very truly yours,

A. L. PUGH, JR.
Secretary-Director

ALP/OEP/Lr

cc: Governor John Burroughs
Commissioner Morgan
Joe Ramey - Hobbs, N. Mex.
Mr. Norman Woodruff - El Paso, Texas

**PROPOSED SPECIAL POOL RULES FOR JALMAT GAS POOL
TO PROVIDE FOR CLASSIFICATION OF DISTRESSED WELLS**

(All rules below will be added as amendments or additions to the Special Rules and Regulations for the Jalmat Gas Pool in Order R-1670.)

Rule 8 (A) 1:

The Pool Allowable remaining after deducting the total allowable assigned to marginal wells and distressed wells shall be allocated among the non-marginal wells in the Pool as follows:

Existing Rule 8 (A) 1 (a).

Rule 8 (A) 4:

No well except a distress well shall be assigned an allowable until a deliverability test has been filed with the Commission and approved.

Rule 10 (A):

A marginal well shall be assigned an allowable equal to its maximum production during any month of the preceding gas proration period. A distress well, as hereinafter defined, shall be allowed to produce the amount of gas necessary to maintain production under production methods approved by the Commission.

Rule 10 (B):

The Pool Allowable remaining after deducting the total allowable assigned to marginal wells and distress wells, shall be allocated among the non-marginal wells entitled to an allowable in the Jalmat Gas Pool.

Rule 15 (A):

A well classified as a distress well shall be exempt from the provisions of General Rule 15 (A).

Rule 20:

All wells not classified as marginal wells or distress wells shall be classified as non-marginal wells.

Rule 16 (C):

The Secretary-Director of the Commission may classify a well as a distress well without notice and hearing where application has been filed in due form and where the following facts exist and the following provisions are complied with:

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EPAG EXHIBIT No. 1
CASE 2014

**Proposed Special Pool Rules for Jalmat Gas Pool
to Provide for Classification of Distressed Wells**

Page 2.

- 1) The operator shows that he has exercised due diligence and used all feasible means to maintain the well in a producible condition and
 - a) The well is producing through artificial means with a free flowing piston or pump jack, or from other mechanical means, and the well is making water in such amounts as after a 72-hour shut-in period the well becomes logged off and is unable to be restored to production after being swabbed for not less than 24 hours; or;
 - b) The operator shows that it is uneconomically feasible to utilize mechanical aids to maintain the well on production;
- 2) That all acreage belonging to the operator capable of being assigned to said well has been dedicated;
- 3) The operator must furnish to the Commission a report giving in detail all pertinent data with respect to the method employed by the operator in producing the well sought to be classified as a distress well, and such other and further information as the Commission may desire from time to time;
- 4) The applicant presents written consent in the form of waivers from all operators offsetting acreage dedicated to the proposed distressed well;
- 5) In lieu of 4) of this Rule, the applicant may furnish proof of the fact that said offset operators were notified by registered mail and furnished the same information as was furnished in their application to the Commission with respect to the proposed distress well. The Secretary-Director of the Commission may classify the well as a distress well if, after a period of twenty days following the mailing of said notice, no operator has made objection to the classification of the proposed distress well.

OIL CONS.
SANTA FE
CASE

LEGAL #2
NE SE 31-255-37E
Lea County, New Mexico

The Legal #2 is a Salinas gas well produced with a free piston installation installed in March, 1958. This well was produced as a marginal well until the middle of 1959 when it was then reclassified as a non-marginal retroactive to July, 1958, and assessed with an over produced status of 77,837 mcf. This well's production was reduced some and each time the well was shut in or died it became more difficult to get it back on production.

This well, prior to the installation of the free piston, was averaging approx. 13,563 mcf per month. The latter month the production was dropping and the water encroachment was increasing, so the piston was installed. From March, 1958 to July, 1959 the well averaged 10,899 mcf. This average is lower than the approx. 9 months average prior to the piston installation because of the increasing water condition and pressure drop. From July, 1959, the well's production was restricted some, trying to determine a rate of flow in which the well would not log off, and its monthly average was 10,242 mcf.

In May, 1960, the well produced 2,764 mcf. 2,343 mcf's were produced from May 1st through 12th. The well was then shut in and same logged off. Approx. May 18, 1960, the well was allowed to produce unrestricted. The following is a daily summary of the well's activity.

- 5-23-60 Well was logged off. There was no production from May 12 to this date. The Oil Conservation Commission was notified of our plans to swab this well in.
- 5-24-60 Swab unit rigged up, fished piston and swabbed three hours. Free piston was allowed to run several times to air to unload fluid. Produced approx. 4 bbls. oil and 12 bbls. water. Piston setting was approx. 45 minutes on and 90 minutes off. Well produced approx. 97 mcf. Mr. L. A. Clements with the Oil Conservation Commission witnessed the above procedure. After the above swabbing, the unit was released and the well died approx. 3 times this day and was blown in each time. A continuous watch was kept on this well to see that same was not logged off for any period of time to avoid having to call a swab unit back. El Paso line pressure was approx. 173#, casing pressure was 225#.

ILLEGIBLE

Page Two, Legal #2

- 5-25-60 Well produced approx. 6 mcf. El Paso's line pressure was approx. 222#. The well was blown in approx. three times but would not take the line and unload the fluid.
- 5-26-60 Well produced approx. 75 mcf. Well was blown in twice and took the line for only a short period of time before it logged off. El Paso's line pressure was approx. 205#. Piston setting was set for 30 minutes on and 30 minutes off. Tubing pressure 220#.
- 5-27-60 Well produced approx. 20 mcf. Casing pressure was 250#, El Paso line pressure was approx. 118#. Approx. 14 bbls. fluid were produced, same being approx. 12 bbls. water and 2 bbls. oil. Well was logged off most of this day. Well was blown in twice unloading above fluid but would not take the line.
- 5-28-60 Well produced approx. 193 mcf gas with approx. 15 bbls. fluid (12 bbls. water and 3 bbls. oil). El Paso's line pressure was approx. 205#. Gas flow was weak and logged, at 3:30 p. m. well was blown in.
- 5-29-60 Well produced approx. 35 mcf gas, approx. 1 bbl. oil and 6 bbls. water. Well was blown in twice as piston was not running, but well would not take El Paso's line for any length of time. El Paso's line pressure was approx. 212#.
- 5-30-60 Well produced approx. 7 mcf gas, approx. 1 bbl. oil and approx. 10 bbls. water. Casing pressure 250#, tubing pressure 200# and El Paso's line pressure approx. 243#. Well was blown in to relieve fluid from formation but well would not take El Paso's line.
- 5-31-60 Well produced approx. 8 mcf, piston setting still approx. 30 minutes on, 30 minutes off. Well was blown in for 1 hour and 45 minutes to unload fluid. Shut in for 2 hours to build pressure, then turned into El Paso's line. Well would not buck El Paso's line pressure of approx. 212#.

From May 24, 1960 to June 1, 1960, well produced 441 mcf gas.

ILLEGIBLE

Page Three, Legal #2

- 6-1-60 Well produced approx. 29 mcf gas, approx. 2 bbls. oil and approx. 12 bbls. water. El Paso's line pressure approx. 192#. Free piston was not running, caught same and checked, found okay. Well too weak to take line, casing pressure 250#, well was blown in twice this day.
- 6-2-60 Well produced approx. 20 mcf. Well was blown in and produced approx. 1 bbl. oil and 6 bbls. water. El Paso's line pressure was approx. 205# average.
- 6-3-60 Well produced approx. 242 mcf with approx. 3 bbls. oil and 20 bbls. water. Well started out taking the line but was weak. El Paso's line pressure was approx. 179#. Well then started producing all right.
- 6-4-60 Well produced approx. 232 mcf. Water was not estimated. Well doing okay. El Paso's line pressure approx. 167#, casing pressure 250#.
- 6-5-60 Well produced approx. 260 mcf with approx. 3 bbls. oil and 20 bbls. water. Casing pressure 250#, El Paso line pressure approx. 158#.
- 6-6-60 Well produced approx. 265 mcf, approx. 3 bbls. oil and 20 bbls. water. Casing pressure 260#, El Paso's line pressure approx. 161#.
- 6-7-60 Well produced approx. 275 mcf, approx. 3 bbls. oil and 12 bbls. water. Casing pressure 260#, El Paso line pressure approx. 136#.
- 6-8-60 Well produced approx. 275 mcf with approx. 3 bbls. oil and 12 bbls. water. Casing pressure 260#, El Paso line pressure approx. 133#.

From June 1, 1960 to June 9, 1960, well produced 1,598 mcf gas.

- 6-9-60 Well produced approx. 313 mcf with approx. 3 bbls. oil and 18 bbls. water. Casing pressure 250#, El Paso line pressure approx. 144#. Well still set approx. 30 minutes on and 30 minutes off.

ILLEGIBLE

Page Four, Legal #2

- 6-10-60 Well produced approx. 261 mcf with approx. 2 bbls. oil and 12 bbls. water. Casing pressure 240#, El Paso line pressure approx. 167#.
- 6-11-60 Well produced approx. 261 mcf with approx. 3 bbls. oil and 12 bbls. water. Casing pressure 240#, El Paso line pressure approx. 167#.
- 6-12-60 Well produced approx. 58 mcf with approx. 3 bbls. oil and 12 bbls. water. Casing pressure 200#. Blew well in twice but it would not take the line. El Paso's line pressure approx. 212#.
- 6-13-60 Well produced approx. 284 mcf. Casing pressure 220#. El Paso's line pressure approx. 176#.
- 6-14-60 Well produced approx. 309 mcf. Casing pressure 220#. El Paso's line pressure approx. 173#.
- 6-15-60 Well produced approx. 296 mcf with approx. 3 bbls. oil and 18 bbls. water. Casing pressure 230#. El Paso's line pressure approx. 176#.
- 6-16-60 Well produced approx. 292 mcf with approx. 2 bbls. oil and 12 bbls. water. Casing pressure 250#. El Paso's line pressure approx. 179#.
- From June 9th to June 17, 1960, well produced 2,074 mcf.
- 6-17-60 Well produced approx. 292 mcf. El Paso line pressure approx. 185#.
- 6-18-60 Well produced approx. 293 mcf, approx. 2 bbls. oil and 14 bbls. water. Casing pressure 250#. Blew well in one time to catch piston and check same. El Paso line pressure approx. 185#.
- 6-19-60 Well produced approx. 280 mcf, approx. 2 bbls. oil and 16 bbls. water. Casing pressure 250#. El Paso line pressure approx. 192#.

ILLEGIBLE

Page Five, Legal #2

6-20-60 Well produced approx. 257 mcf., approx. 2 bbls. oil and 18 bbls. water. Casing pressure 250#. El Paso line pressure approx. 185#. Well was blown in twice this day.

6-21-60 Well produced approx. 193 mcf, approx. 2 bbls. oil and 14 bbls. water. Casing pressure 250#.

6-22-60 Well produced approx. 286 mcf. Casing pressure 250#. El Paso line pressure approx. 176#. Gas Chart removed this date.

From June 17th to June 23, 1960, well produced 1601 mcf.

6-23-60 Well produced approx. 270 mcf, approx. 1 bbl. oil and 12 bbls. water. Casing pressure 250#, El Paso line pressure approx. 176#.

6-24-60 Well produced approx. 274 mcf. Blew well in as it was flowing weak. El Paso line pressure approx. 173#.

6-25-60 Well produced approx. 277 mcf, approx. 2 bbls. oil and 18 bbls. water. El Paso line pressure approx. 158#.

6-26-60 Well produced approx. 278 mcf, approx. 2 bbls. oil and 16 bbls. water. Blew well in once - El Paso line pressure approx. 161#.

6-27-60 Well produced approx. 100 mcf. El Paso line pressure approx. 231#.

6-28-60 Well produced approx. 110 mcf, approx. 1 bbl. oil and 16 bbls. water. Blew well in twice. El Paso line pressure approx. 225#.

6-29-60 Well produced approx. 241 mcf, approx. 1 bbl. oil and 16 bbls. water. El Paso line pressure approx. 185#. Line pressure dropped to approx. 155# allowing production to increase.

6-30-60 Well produced approx. 263 mcf, approx. 3 bbls. oil and 20 bbls. water. Casing pressure 250#. El Paso line pressure approx. 167#.

From June 23 to July 1, 1960, well produced 1,813 mcf.

ILLEGIBLE

501
CASE 3014

EVA OWEN #1
SW SW 21-25S-37E
Lea County, New Mexico

The Eva Owen #1 is a Jalnet gas well operated by a free piston installation installed in November, 1956. This installation was necessary to keep the well on a producing status as the water problem was too great for the well to flow naturally.

The first quarter of 1958 the well averaged 15,483 mcf per month. It averaged 11,080 mcf for the first half of 1958 at which time it was shut in by the Oil Conservation Commission for over production and was shut in until October, 1959. The well at this time was in balance and a considerable amount of time and expense was devoted to trying to bring the well back to a producing status. The water encroachment problem had become so great during its shut-in period that the well has not been restored to a producing status with the installation of the piston. In October, 1959, the well produced 43 mcf. In November, 1959, 352 mcf. In December, 1959, 3,328 mcf. In January, 1960, 1,034 mcf. In February, 1960, 1,539 mcf. In March, 1960, 910 mcf. April, 1960, 89 mcf and in May, 1960, production was -0-.

Approximately June 15, 1960, an extended effort was begun to bring the well to a producing status and the following is a summary of activity for this well. Prior to June 15, 1960, the well was blown in several times to see if same would take El Paso's line, but it would not do so.

- 6-15-60 The Oil Conservation Commission was notified and Mr. Clements witnessed the following work. Rigged up swab unit, fished piston, ran swab 3 times and flowed well to air for approx. 1 hour and well died. Pulled swab 1 time and well flowed approx. 45 minutes and died. Ran swab twice to kick well off. Well producing sulphur water, amount undetermined at this time. Casing pressure at 2:00 p. m. 280#.
- 6-16-60 Well producing approx. 40 bbls. water but unable to buck El Paso line. Casing pressure 500#, tubing pressure 300#. Intermittent set 1 hour on and 2 hours off. Well was blown at 8:30 a. m. and 4:30 p. m.
- 6-17-60 Well was blown in one time and vented to air to unload water but well logged off. Well produced approx. 40 bbls. water. Casing pressure 500#.

Page Two, Eva Owen #1

6-18-60 Well logged off and master valve shut in to build up pressure to blow well in. Casing pressure 500#.

6-19-60 Tried to blow well in but it did not respond.

6-20-60 Well logged off and will not respond to blowing in.

6-21-60 to 7-1-60 Well logged off.

JENKINS #1
SW SW 29-25S-37E
Lea County, New Mexico

The Jenkins #1 is a Jalmat gas well produced by a free piston installation installed October, 1956. This installation was necessary due to a water encroachment problem which would not allow the well to flow if it had been shut down for a short period of time. This well was producing under a marginal well allowable until June, 1959, when it was reclassified as a non-marginal retroactive to July, 1958, and assessed with an over produced status of 82,897 mcf.

This well produced in 1958 and to June 1959 an average of 12,387 mcf per month. The last half of 1959 the well's production was cut back and averaged 5,142 mcf per month. The water encroachment problem and cut back on production has caused the well's ability to produce to drop almost to zero. For the first five months of 1960 the well has produced an average of 181 mcf's per month.

Approximately May 18, 1960, the well was allowed to produce unrestricted and the following is a daily summary of the well's activity.

5-23 to 6-2-60 well was logged off. Several attempts were made to restore it to a producing status but were unsuccessful.

6-2-60 Pulled 2" tubing to sand pump and cleaned out well.
Mr. Joe D. Ramey was notified and witnessed the above.

6-3 to 6-7-60 Sand pumping well.

6-7-60 Ran 2" tubing and swabbed well.

6-8-60 Swabbing well.

6-9-60 Swabbed well - hooked up to intermitter and ran free piston several times. Well produced approx. 108 mcf, and a light show of oil with intermitter set approx. 30 minutes on and 30 minutes off. El Paso line pressure approx. 133#.

6-10-60 Well produced approx. 71 mcf gas, approx. 2 bbls. oil and 10 bbls. water. El Paso's line pressure approx. 150#, casing pressure 250#.

Page Two, Jenkins #1.

- 6-11-60 Well produced approx. 51 mcf gas, approx. 3 bbls. oil and 12 bbls. water. El Paso's line pressure approx. 155#. Free piston was caught and checked as well, appeared weak against line pressure. Casing pressure 225#.
- 6-12-60 Well produced approx. 32 mcf gas, approx. 2 bbls. oil and 16 bbls. water. Well was blown in for 1 hour to unload water as piston was not running. El Paso's line pressure approx. 199#. Casing pressure 250#.
- 6-13-60 Well produced approx. 57 mcf gas, approx. 2 bbls. oil and 12 bbls. water. El Paso's line pressure approx. 155#. Well was blown in twice as well was weak. Casing pressure 200#.
- 6-14-60 Well produced approx. 46 mcf. gas, approx. 1 bbl. oil and 12 bbls. water. Well was blown in twice to keep from logging off. El Paso's line pressure approx. 161#, casing pressure 225#.
- 6-15-60 Well produced approx. 46 mcf gas with trace of oil and approx. 18 bbls. water. El Paso's line pressure approx. 161#. Mr. Clements with the Oil Conservation Commission was on location today. Blew well to air piston, came up with estimated 2 bbls. fluid, same being muddy with a trace of oil.
- 6-16-60 Well produced approx. 48 mcf gas, approx. 1 bbl. oil and 18 bbls. water. El Paso line pressure approx. 167#. Well was blown in once this day, casing pressure 250#.
- From June 9 to June 17 well produced 459 mcf.
- 6-17-60 Well produced approx. 44 mcf, approx. 1 bbl. oil and 16 bbls. water. Well was blown in once. Casing pressure 250#. El Paso's line pressure approx. 173#.
- 6-18-60 Well produced approx. 42 mcf, piston not running, blew in to unload fluid. Casing pressure 250#. El Paso's line pressure approx. 173#.

Page Three, Volume 11

- 6-19-60 Well produced approx. 52 mcf, approx. 1 bbl. oil and 16 bbls. water. Casing pressure 240#. El Paso's line pressure approx. 179#.
- 6-20-60 Well produced approx. 48 mcf with a trace of oil and 18 bbls. water. Casing pressure 250#. El Paso's line pressure approx. 173#. Piston not running so well was blown in to unload fluid.
- 6-21-60 Well produced approx. 48 mcf., approx. 1 bbl. oil and 12 bbls. water. El Paso line pressure approx. 173#.
- 6-22-60 Well produced approx. 46 mcf with a trace of oil. El Paso's line pressure approx. 161# and 8 day chart was pulled this day.

Gas produced from 6-17-60 to 6-23-60 - 280 mcf.

- 6-23-60 Well produced approx. 56 mcf, approx. 1 bbl. oil and 16 bbls. water. El Paso line pressure approx. 167#. Casing pressure 250#.
- 6-24-60 Well produced approx. 18 mcf. El Paso line pressure ranged from approx. 144# to 167#.
- 6-25-60 Well produced about 10 mcf. El Paso line pressure approx. 150#. Shut in by El Paso - choke valve leaking in meter run.
- 6-26-60 Well produced approx. 7 mcf. El Paso line pressure approx. 138#. Shut in by El Paso checking for leak in meter run.
- 6-27-60 Well produced 6 mcf. El Paso line pressure approx. 225#. Choke closed by El Paso for test.
- 6-28-60 Well produced 23 mcf. El Paso line pressure approx. 198#. El Paso opened choke. Well heavily loaded with water. Ran piston several times to unload fluid.
- 6-29-60 Well produced approx. 49 mcf., approx. 1 bbl. oil and 15 bbls. water. Casing pressure 400#. El Paso line pressure ranged from approx. 143 # to 222#.

Page Four, Jenkins #1

6-30-60 Well produced approx. 62 mcf. El Paso line pressure approx. 155#.

From June 23 to July 1, 1960, well produced 231 mcf.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 5
CASE 2014

WATKINS #2
SE NE 35-24S-36E
Lea County, New Mexico

The Watkins #2 is a Jalmat gas well completed in August, 1958, spaced on a 40 acre spacing. Well was connected to El Paso line November 7, 1958. For the balance of November and December, 1958 the well produced 21,876 mcf. Due to the low allowable, this well was shut in most of 1959, producing only a few days each month. The well averaged producing 1,911 mcf per month. During 1959 the water encroachment problem became so great the well would not unload the fluid naturally. The latter part of 1959 the well was producing approximately 200 to 250 barrels of water per producing day and had to be swabbed in each time it was shut in for any period of time.

Considerable study was given to this well to determine a minimum rate of flow at which the well would unload the fluid and not log off. On March 7, 1960, El Paso wrote two letters to Mr. Girard setting out various facts surrounding this well and that a minimum flow of 325 mcf per day would be required to keep the well from logging off. The casing pressure had dropped to 360# on March 31, 1960 where it had been 900# some months prior.

The wells production from January through May, 1960 ranged from 9,642 mcf in January to -0- in May. The latter part of May the Oil Conservation Commission was notified this well would be reworked to bring it back to a producing status. The following is a summary of this wells activity from May 23, 1960.

- 5-24-60 Set Baker plug at 2930' and perforated 3 sections.
- 5-26-60 Ran 2½" tubing with packer.
- 5-27-60 Set Halliburton packer at 2884, sand fracked with 3,000 gal., well sanding up, unable to swab.
- 5-28-60 Freed swab, reverse circulated to bottom and rigged up to swab.
- 5-29-60 Swabbed well in, well started to flow.
- 5-30-60 Flowed well in test tank, fluid 6 bbls. per hour, est. 95% water.
- 5-31-60 Well flowing in test tank 5 bbls. per hour, est. 98% water.

Page Two, Watkins #2

6-1-60 Well flowed an estimated 2 bbls. oil and 100 bbls. water in test tank - turned well into El Paso line.

6-2-60 to 6-14-60 Well logged off.

6-15-60 Rigged up swab unit. Found fluid in well 700' from top. Ran swab two times. Well flowing weak with large heads of water. Ran swab several more times and then started pulling tubing. This was witnessed by Mr. Clements with the Oil Conservation Commission.

6-16-60 Pulling tubing.

6-17-60 Tried to run Halliburton plug on line. Same would not go. Ran back in hole on tubing.

6-18-60 Set plug. Ran Halliburton R-3 packer for treating zone from 2850' to 2870'.

6-19-60 Stand by to treat well.

6-20-60 Swab tested zone from 2850' to 2870'.

6-21-60 Ran swab and recovered 300' sulphur water. Rig down unit.

6-22-60 Pulled tubing and packer to test zone 2810' to 2820'.

6-23-60 Plugged off bottom and swab tested zone 2810' to 2820'.

6-24-60 Swab tested. No gas.

6-25-60 Rigged down and moved swab unit.

6-26-60 to 7-1-60

Shut in pending additional rework.

DYER #3
SE NW 31-25S-37E
Lea Co. New Mexico

The Dyer #3 is a Jalmat gas well produced by a pump jack installed January 21, 1960. Prior to January 21st this well produced with a free piston installation which was installed in December 1956. This gas well had a water encroachment problem so great in 1956 that it was unable to produce naturally, consequently the free piston was installed. This procedure of producing worked satisfactorily for a long period of time. The well was reclassified in 1959 retroactive to July 1958 from a marginal well to a nonmarginal well and assessed with an over produced status of 63,666 mcf. Due to cut back in production the last half of 1959 the water encroachment became too great for the free piston, so the pump jack was installed to relieve the formation of the water and allow the gas to penetrate the well bore.

In 1958 and the first 6 months of 1959 this well averaged 10,052 mcf per month, after the cut back in July 1959 the well averaged 3,611 mcf per month for the last 6 months of 1959, dropping so badly in December 1959 it only produced 151 mcf. The pump jack was installed January 1960 and for the 4 months thereafter it averaged 3,957 mcf per month.

In May 1960 the well produced 3,751 mcf, 2,477 mcf up to May 11th when the well was shut down. The well was then allowed to produce unrestricted approximately May 18, 1960 and the following is a daily summary from the time the well was placed back on production.

- 5-23-60 The pump jack has been running and chart showed first production today. Well produced 89 mcf. El Paso line pressure approx. 164#.
- 5-24-60 Well produced approx. 185 mcf gas with a trace of oil and water was not gauged. Pump jack was running and producing water through tubing. Mr. L. A. Clements with Oil Conservation Commission took a look at this well on this date. El Paso line pressure approx. 159#.
- 5-25-60 Well produced approx. 140 mcf. El Paso line pressure up to approx. 227# average, line pressure was off the 250# chart for a short period and gas production dropped to -0-.

Page 2 - Dyer #3

- 5-26-60 Well produced approx. 210 mcf. gas and approx. 12 bbls water, pump jack was shut down part of this day. El Paso line pressure was approx. 199#.
- 5-27-60 Well produced approx. 190 mcf. gas, water amount not shown. El Paso line pressure approx. 194#.
- 5-28-60 Well produced approx. 140 mcf. gas, water amount not shown. El Paso line pressure approx. 199#.
- 5-29-60 Well produced approx. 110 mcf gas, pump jack was down and was started. El Paso line pressure approx. 208#.
- 5-30-60 Well produced approx. 30 mcf gas and 6 bbls water, pump jack pumped approx. 1/2 day. El Paso line pressure approx. 237# causing drop in production.
- 5-31-60 Well produced approx. 180 mcf gas and 12 bbls water. El Paso line pressure approx. 210#.

From May 23 through May 31 well produced 1,274 mcf.

- 6-1-60 Well produced approx. 212 mcf. gas and 12 bbls water and small amount of oil. Pump jack was shut down part of this day as pump had pumped off. El Paso line pressure approx. 185#.
- 6-2-60 Well produced approx. 175 mcf., well down approx. 4 hrs. due to El Paso line repair, pump jack down also. Line pressure up to approx. 237# for approx. 16 hours. then dropped to approx. 181#. Well showed increased production when line pressure dropped.
- 6-3-60 Well produced approx. 185 mcf. pump jack shut down. El Paso line pressure approx. 176#.
- 6-4-60 Well produced approx. 174 mcf., pump jack shut down. El Paso line pressure approx. 159#.
- 6-5-60 Well produced approx. 160 mcf. El Paso line pressure 151#.
- 6-6-60 Well produced approx. 106 mcf. El Paso line pressure approx. 159#.

Page 3 - Dyer #3

6-7-60 Well produced 300 mcf., pump jack running and El Paso line pressure approx. 132#.

6-8-60 Well produced approx. 308 mcf. El Paso line pressure approx. 130#. Pump jack shut down.

For the period June 1 to June 9, 1960 the well produced 1,620 mcf gas.

6-9-60 Well produced approx. 313 mcf, 2 bbls oil and 15 bbls. water. Casing pressure 125#. El Paso's line pressure was approx. 135#.

6-10-60 Well produced approx. 230 mcf. Casing pressure 210#, El Paso's line pressure approx. 155#. Line pressure caused drop in production.

6-11-60 Well produced approx. 192 mcf. Casing pressure 220#, El Paso's line pressure approx. 159#.

6-12-60 Well produced approx. 37 mcf, 2 bbls oil and 12 bbls water. Casing pressure 250#, El Paso's line pressure approx. 199#. Well would not buck line pressure most of this day. Pump jack was started.

6-13-60 Well produced approx. 158 mcf gas, 1 bbl oil and 6 bbls water. Casing pressure 220#. Pump jack found dead and started same. El Paso's line pressure approx. 155#.

6-14-60 Well produced approx. 288 mcf gas, approx. 2 bbls oil and 12 bbls water. Casing pressure 220#, El Paso's line pressure approx. 168#. Pump jack died about 2:00 p. m.

6-15-60 Well produced approx. 296 mcf gas. Casing pressure 225#. El Paso's line pressure approx. 168#.

6-16-60 Well produced approx. 272 mcf with approx 2 bbls oil and 12 bbls water. Casing pressure 250#. El Paso's line pressure approx. 159#.

From June 9 to June 17, 1960 well produced 1,786 mcf gas.

6-17-60 Well produced approx. 205 mcf, approx. 2 bbls oil and 12 bbls water. Casing pressure 230#. El Paso line pressure approx. 176#.

Page 4 - Dyer #3

- 6-18-60 Well produced approx. 261 mcf with a trace of oil and 12 bbls water. Casing pressure 250#, El Paso's line pressure approx. 176#. Pump jack running.
- 6-19-60 Well produced approx. 242 mcf, approx. 1 bbl oil and 12 bbls water. Casing pressure 240#, El Paso's line pressure approx. 181#.
- 6-20-60 Well produced approx. 238 mcf, approx. 1 bbl oil and 18 bbls water. Casing pressure 250#, El Paso's line pressure approx. 176#. Pump jack down, repairing stuffing box.
- 6-21-60 Well produced approx. 203 mcf, Casing pressure 240#. El Paso's line pressure approx. 176#.
- 6-22-60 Well produced approx. 257 mcf. El Paso line pressure approx. 165#. Pump jack running. The 8 day gas chart was removed today.

From June 17 to June 23 well produced 1,406 mcf.

- 6-23-60 Well produced approx. 248 mcf, approx. 2 bbls oil and 12 bbls water. Pump jack running. Casing pressure 250#. El Paso's line pressure approx. 168#.
- 6-24-60 Well produced approx. 242 mcf, No estimate on water. Pump jack shut down. Casing pressure 250#. El Paso's line pressure ranged from approx. 151# to 199#.
- 6-25-60 Well produced approx. 267 mcf. Approx 1 bbl oil and 12 bbls water. Pump jack shut down and repaired stuffing box. El Paso's line pressure approx. 149#.
- 6-26-60 Well produced approx. 257 mcf. Pump jack was started. El Paso's line pressure approx. 153#.
- 6-27-60 Well produced approx. 127 mcf. El Paso's line pressure approx. 227#. Pump jack running.
- 6-28-60 Well produced approx 141 mcf. Pump jack started. Casing pressure 250#. El Paso's line pressure approx. 217#.
- 6-29-60 Well produced approx. 226 mcf. Pump jack died during night. Casing pressure 250#. El Paso's line pressure approx. 181#. The line pressure varied this day dropping to approx 147# for part of the day.

Page 5 - Dyer #3

6-30-60 Well produced approx. 246 mcf. El. Pass's line pressure approx. 159#. Pump jack not running.

Well produced 1,754 mcf from June 23 to July 1, 1960.

SUMMARY OF MONTHLY ALLOCATION AND
PRODUCTION FROM JAN. 1, 58 THRU JUNE 1960

| | | DYER #3 MCF | | JENKINS #1 MCF | | LEGAL #2 MCF | | E. OWEN #1 MCF | | WATKINS #2 MCF | |
|------------|--|-------------|---------|----------------|---------|--------------|---------|----------------|--------|----------------|--------|
| | | Allocation | Prod. | Allocation | Prod. | Allocation | Prod. | Allocation | Prod. | Allocation | Prod. |
| Jan. 1958 | | 21,556 | 12,293 | 21,556 | 15,264 | 21,556 | 15,406 | 10,778 | 17,925 | | |
| Feb. | | 21,105 | 11,616 | 21,105 | 12,719 | 21,105 | 13,501 | 10,552 | 13,928 | | |
| March | | 19,938 | 11,627 | 19,938 | 13,586 | 19,938 | 13,637 | 9,969 | 14,597 | | |
| April | | 14,944 | 10,044 | 14,944 | 10,868 | 14,944 | 9,550 | 7,472 | 9,580 | | |
| May | | 15,119 | 9,360 | 16,033 | 12,822 | 17,880 | 10,853 | 23,847 | 7,266 | | |
| June | | 15,119 | 11,830 | 16,033 | 14,162 | 17,880 | 13,934 | 8,568 | 3,187 | | |
| July | | 15,119 | 11,976 | 16,033 | 14,489 | 17,880 | 12,014 | 1,145 | -0- | | |
| Aug. | | 15,119 | 8,056 | 16,033 | 14,484 | 17,880 | 11,897 | 154 | -0- | | |
| Sept. | | 15,119 | 10,386 | 16,033 | 8,989 | 17,880 | 13,009 | 1,587 | -0- | | |
| Oct. | | 15,119 | 11,043 | 16,033 | 13,217 | 17,880 | 13,536 | 1,752 | -0- | | |
| Nov. | | 15,119 | 10,527 | 16,033 | 13,664 | 17,880 | 11,248 | 2,997 | -0- | | |
| Dec. | | 15,119 | 8,785 | 16,033 | 8,998 | 17,880 | 9,352 | 2,935 | -0- | | |
| Total 1958 | | 198,495 | 127,543 | 205,807 | 153,262 | 220,583 | 147,937 | 81,756 | 66,483 | | |
| Jan. 1959 | | 15,119 | 10,930 | 16,033 | 11,359 | 17,880 | 12,978 | 3,741 | -0- | 3,469 | 2,001 |
| Feb. | | 15,119 | 9,286 | 16,033 | 11,007 | 17,880 | 7,629 | 1,996 | -0- | 1,834 | 2,499 |
| March | | 15,119 | 10,229 | 16,033 | 10,828 | 17,880 | 12,560 | 1,968 | 1,364 | 1,822 | 51 |
| April | | 15,119 | 8,850 | 16,033 | 12,373 | 17,880 | 10,847 | 1,384 | -0- | 1,282 | 17 |
| May | | 15,119 | 8,460 | 16,033 | 11,751 | 17,880 | 7,991 | 319 | -0- | 295 | 244 |
| June | | 15,119 | 5,645 | 16,033 | 7,688 | 17,880 | 6,084 | 2,061 | -0- | 1,913 | 63 |
| July | | 10,192 | 6,412 | 13,702 | 9,863 | 14,033 | 10,138 | 5,707 | -0- | 3,728 | 112 |
| Aug. | | 3,305 | 4,710 | 4,442 | 4,812 | 4,549 | 8,702 | 1,851 | -0- | 1,209 | 1,866 |
| Sept. | | 5,312 | 5,059 | 7,133 | 6,760 | 7,304 | 8,894 | 2,973 | -0- | 1,940 | 4,582 |
| Oct. | | 6,001 | 4,671 | 8,035 | 3,149 | 8,226 | 13,256 | 3,354 | 43 | 2,184 | 308 |
| Nov. | | 6,691 | 663 | 8,970 | 1,534 | 9,185 | 13,238 | 3,742 | 852 | 2,439 | 4,688 |
| Dec. | | 8,469 | 151 | 11,387 | 2,188 | 11,662 | 14,201 | 4,742 | 3,338 | 3,098 | 6,501 |
| Total 1959 | | 130,684 | 75,066 | 149,867 | 93,312 | 162,239 | 126,518 | 33,838 | 5,597 | 25,213 | 22,932 |
| Jan. 1960 | | 4,294 | 1,398 | 5,778 | 501 | 5,917 | 11,804 | 2,405 | 1,034 | 1,572 | 9,642 |
| Feb. | | 2,542 | 3,752 | 3,422 | 11 | 3,505 | 11,013 | 1,424 | 1,539 | 931 | 6,849 |
| March | | 6,993 | 4,892 | 9,411 | 144 | 9,638 | 8,886 | 3,917 | 910 | 2,561 | 5,890 |
| April | | 5,326 | 3,434 | 7,166 | 150 | 7,339 | 2,286 | 2,983 | 89 | 1,950 | 2,165 |
| May | | 4,607 | 3,751 | 6,200 | 100 | 6,350 | 2,784 | 2,581 | -0- | 1,687 | -0- |
| June | | 3,416 | 6,566 | 4,591 | 970 | 4,702 | 7,086 | 1,912 | -0- | 1,249 | -0- |
| | | 27,178 | 23,793 | 36,568 | 1,876 | 37,451 | 43,859 | 15,222 | 3,572 | 9,950 | 24,546 |
| | | 356,357 | 226,402 | 392,242 | 248,450 | 420,273 | 318,314 | 130,816 | 75,652 | 35,163 | 69,354 |

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 2
CASE 2014

S. R. COOPER #1
SW SE NE Section 23-24-36E
Lea County, New Mexico

The S. R. Cooper #1 is a Jalmat gas well produced by free piston installed in the spring of 1958. Prior to this installation the well was re-completed in January 1955 by plugging back to 3127 feet, with a 4½ inch liner set from 3132 to 2733 feet. The well was perforated in the Yates from 3020 to 3104 and completed as a Jalmat gas well. The well was originally completed at 3160, being plugged from total depth of 3600. The 1955 recompletion was done in an effort to shut off water.

From September, 1958, through June, 1959, this well averaged 5,268 mcf per month. (For the period July, 1959, through April, 1960, after the cutback the well averaged 3,529 mcf per month.) During the same period it produced an average of 16 barrels of water per day for the first 10 months but, during the last 10 months after the well was required to be shut in much of the time, it increased in water to an average of 25 barrels per day. In May, 1960, the well made no gas the entire month, being shut in during said period.

In June, 1960, the well produced approximately as follows:

6/ 1/60: No production.
6/ 2/60: No production.
6/ 3/60: No production.
6/ 4/60: No production.
6/ 5/60: No production.
6/ 6/60: No production.
6/ 7/60: No production.
6/ 8/60: No production.
6/ 9/60: No production.
6/10/60: No production.
6/11/60: No production.

6/12/60: No production.

6/13/60: No production.

6/14/60: No production.

6/15/60: No production.

6/16/60: Produced approx. 259 mcf gas, 16 barrels water, 1.000 orifice. Line pressure 169#. On approx. 22 hours.

6/17/60: Produced approx. 215 mcf gas, 25 barrels water, 1.000 orifice. Line pressure 169#. On 22 hours.

6/18/60: Produced approx. 201 mcf gas, 25 barrels water, 1.000 orifice. Line pressure 165#. Hours not shown.

6/19/60: Produced approx. 195 mcf gas, 16 barrels water, 1.000 orifice. Line pressure 115#. On approx. 22 hours.

6/20/60: Produced approx. 204 mcf gas, 25 barrels water, 1.000 orifice. Line pressure 112#. Hours not shown.

6/21/60: No production.

6/22/60: No production.

6/23/60: No production.

6/24/60: No production.

6/25/60: No production.

6/26/60: No production.

6/27/60: No production.

6/28/60: No production.

6/29/60: No production.

6/30/60: No production.

El Paso shows this well produced 1,076 mcf gas during this period.

Since we do not have access at this time to the integrated charts of El Paso for the period subsequent to July 1, we must rely on the field reports, as follows:

- 7/1/60: Field shows 195 mcf gas, 25 barrels water, 1.000 orifice, 116# line pressure. Hours not shown.
- 7/2/60: Field shows 207 mcf gas, 23 barrels water, 1.000 orifice, 122# line pressure. Hours not shown.
- 7/3/60: Field shows 205 mcf gas, 17 barrels water, 1.000 orifice, 122# line pressure, produced approx. 20 hrs.
- 7/4/60: Field shows 205 mcf gas, 23 barrels water, 1.000 orifice, 120# line pressure, prod. approx. 22 hrs.
- 7/5/60: Field shows 137 mcf gas, 23 barrels water, 1.000 orifice, 107# line pressure, prod. approx. 22 hrs.
- 7/6/60: Field shows 196 mcf gas, 18 barrels water, 1.000 orifice, 112# line pressure, prod. approx. 19 hrs.
- 7/7/60: Field shows 215 mcf gas, 23 barrels water, 1.000 orifice, 114# line pressure, prod. approx. 22 hrs.
- 7/8/60: Field shows 197 mcf gas, 17 barrels water, 1.000 orifice, 116# line pressure, prod. approx. 22 hrs.

El Paso shows total 7/1/60 to 7/8/60 as 1,597 mcf.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Vol 7
CASE 3014

WINNINGHAM #3
NE SE Section 30-258-378
Lea County, New Mexico

The Winningham #3 is a Jalmat gas well produced by pump jack installed September 23, 1959. Prior to this installation this well, due to the encroachment of water, produced with a free piston installation, installed subsequent to the time it was plugged back and recompleted in the Yates zone in September, 1964. Prior to plugging back, the well was completed, according to records in our files, through open hole from the bottom of liner at 3050 to 3075 feet.

The free piston installation was unsatisfactory for the reason it could not handle the volume of water necessary to be lifted to allow the gas to feed into El Paso's line. Therefore, the pump jack was installed in an effort to keep the well producing.

From September, 1959, through June, 1959, this well averaged 11,231 mcf per month. For the period July, 1959, through April, 1960, after the cutback the well averaged 5,798 mcf per month. During the same period, it produced an average of 7.5 barrels of water per day for the first 10 months but, during the last 10 months after the well was required to be shut in much of the time, it increased in water to an average of 30 barrels per day. In May the well made 1,295 mcf of gas for the entire month while producing 30 barrels of water per day or a total for the month of approximately 930 barrels.

Attached is the daily production record of the well.

follows: In June 1960 the well produced approximately as

6/ 1/60: No production.
6/ 2/60: No production.
6/ 3/60: Produced 478 mcf (approximately) of gas, 30 barrels water, 1.250 orifice. Line pressure 170#.
6/ 4/60: Produced approx. 500 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 116#.
6/ 5/60: Produced approx. 505 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 116#.
6/ 6/60: Produced approx. 468 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 117#.
6/ 7/60: Produced approximately 562 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 114#.
6/ 8/60: Produced approx. 573 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 114#.
6/ 9/60: Produced approx. 534 mcf gas, 28 barrels water, 1.250 orifice. Line pressure 114#.
6/10/60: Produced approx. 506 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 115#.
6/11/60: No production.
6/13/60: No production.
6/14/60: No production.
6/15/60: No production.
6/16/60: No production.
6/17/60: No production.
6/18/60: No production.

6/19/60: No production.

6/20/60: No production.

6/21/60: No production.

6/22/60: No production.

6/23/60: No production.

6/24/60: No production.

6/25/60: No production.

6/26/60: No production.

6/27/60: No production.

6/28/60: No production.

6/29/60: No production.

6/30/60: Produced approx. 469 mcf gas, 26 barrels water, 1.250 orifice. Line pressure 114#.

7/ 1/60: Produced approx. 354 mcf gas, 30 barrels water, 1.250 orifice. Line pressure 116#.

El Paso shows this well produced 5027 mcf gas during this period.

For the month of July up to date, we are unable to ascertain the amounts produced from El Paso's integrated charts, as they are not yet available to us. However, we do have the reports from the field (being field calculations) as set out below:

7/ 2/60: Field shows 734 mcf gas, 30 barrels water, 1.250 orifice, line pressure 134#.

7/ 3/60: Field shows 735 mcf gas, 30 barrels water, 1.250 orifice, line pressure 138#.

7/4/60: Field shows 725 mcf gas, 30 barrels water, orifice 1.250,
line pressure 134#.

7/5/60: Field shows 667 mcf gas, 30 barrels water, 1.250 orifice,
line pressure 138#.

7/6/60: Field shows 462 mcf gas, 30 barrels water, 1.250 orifice,
line pressure not shown.

7/7/60: Field shows 481 mcf gas, 30 barrels water, 1.250 orifice,
line pressure 138#.

7/8/60: Field shows 490 mcf gas, 30 barrels water, 1.250 orifice,
line pressure 138#.

7/9/60: Field shows 707 mcf gas, 30 barrels water, 1.250 orifice,
line pressure 149#.

El Paso shows total 7/2/60 to 7/9/60 as 4,148 mcf.

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 2045
HOBBS

July 12, 1960

Mr. D. S. Nutter, Chief Engineer
Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Nutter:

This letter concerns a study of the eight wells which Jal Oil Company and Olsen Oils, Inc. are asking exception to deliverability along with changes in the Jalmat Gas Pool Rules under Case No. 2014. Following are the findings of this study:

- A. Primarily, the area in which these wells are located is within a premature reservoir depletion stage.
- B. The area involved has been wastefully depleted by the flaring of millions of cubic feet of gas.
- C. This area lies adjacent to the Delaware Basin which is the apparent water source encroaching into the Jalmat Pool.
- D. From a study of the attached crosssections A-A' and B-B', it is evident that water is advancing into the Jalmat Pool through numerous porosity zones and that the presence or absence of water is directly related to (a) the number of wells completed within each zone or zones, and (b) the rate that these zones have been produced.
- E. These crosssections indicate that a careful study of an immediate area of a specific well will yield the conditions under which the water occurs in said well. For example, (a) channeling, (b) what zone is carrying water, and (c) whether or not the well can be reworked to eliminate water.

-2-

Mr. D. S. Nutter

July 12, 1960

As a result of this study, the following is a well by well recommendation for the elimination of water for each of the eight wells involved:

CROSSECTION A-A'

1. Olsen Oils, Inc. - Cooper B Well No. 2, Unit M, Section 11-T24S-R36E

Water could be eliminated by squeezing off bottom 30 feet of open hole.

2. Olsen Oils, Inc. - Cooper Well No. 1, Unit H, Section 23-T24S-R36E

Appears to have channeling and could be squeezed off below lower perforations.

3. Jal Oil Company - Watkins Well No. 2, Unit H, Section 35-T24S-R36E

This well also appears to have a possible channel and could be squeezed below lower perforations.

CROSSECTION B-B'

All indications are that the topmost porosity zone in the Yates formation carries water for this specific area.

4. Jal Oil Company - Eva Owens Well No. 1, Unit M, Section 21-T25S-R37E

Could be opened into top zone of Yates, then squeeze off zone.

5. Olsen Oils, Inc. - Winningham Well No. 3, Unit I, Section 30-T25S-R37E

Could be opened into top zone of Yates, then squeeze off zone.

6. Jal Oil Company - Jenkins Well No. 1, Unit M, Section 29-T25S-R37E

Could be opened into top zone of Yates, then squeeze off zone.

7. Jal Oil Company - Dyer Well No. 3, Unit H, Section 31-T25S-R37E

Could be opened into top zone of Yates, then squeeze off zone.

8. Jal Oil Company - Legal Well No. 2, Unit K, Section 31-T25S-R37E

Could be opened into top zone of Yates, then squeeze off zone.

To insure proper water cutoff and to prevent future and present water channeling, these zones carrying water should be squeezed with cement. Liners or bridge plugs alone do not appear to be entirely successful. Wells which have been squeezed to shut off water have had the highest success as shown on the crosssections.

-3-

Mr. D. S. Nutter

July 12, 1960

It is my belief that most of the wells could be worked over and be made water free. Also, the crossections show that Jal Oil Company and Olsen Oils, Inc. have not exercised the best completion methods.

The locations and number of water zones shown on the two crossections are based on the information available at the present time. It is possible that there are water carrying zones which were not found.

Very truly yours,

OIL CONSERVATION COMMISSION

John W. Runyan
Geologist, District I

JWR:mg
Attachments

SUPPLEMENTAL DOCKET: REGULAR HEARING APRIL 13, 1960

Oil Conservation Commission 9 a.m., HOBBS AUDITORIUM, 1300 EAST SCHARBAUER,
HOBBS, NEW MEXICO

CASE 1941: Application of Jal Oil Company for exceptions to various provisions of Orders R-520, R-967, and R-1092-A for 5 wells in the Jalmat Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order cancelling the overproduction incurred by the following-described wells in the Jalmat Gas Pool:

Legal Well No. 2, NE/4 SE/4, Section 31
Dyer Well No. 3, SE/4 NE/4, Section 31
Jenkins Well No. 1, SW/4 SW/4, Section 29
Owens Well No. 1, SW/4 SW/4, Section 21
all in Township 25 South, Range 37 East, and the

Watkins Well No. 2, SE/4 NE/4, Section 35,
Township 24 South, Range 36 East.

Applicant further seeks an exception to the deliverability test requirements of said Orders for each of the above-described wells and also seeks an exemption from prorationing as required by the Special Rules and Regulations for the Jalmat Gas Pool.

⑧

R. 0/500
winning 500 #3
Unit I 30.25-39
Elev. 3017

can (X) - last part

wire bonds

April 1, 1950

Length: 2730 - 58

2764-78, 2782-2808,
2819-42, 2848-60, 2866-02,
2876-96, 2906-20, 2944-52
2956-66 2969-79
10,000 and Southward - 11,000 #5d.
1400,000 CFPP

TO 3/14
PB 3085
Ting 3058
open hole 3050-3085
375 5010 } only one

Cement plug is saving
sealing the oil zone.

⑦

14

Comp. 9-17-88

R-01500

Cooper B #2

Unit C 14-24-36

Elev. -

805

⊛

- Subtotal

T.D. 3185

T pay 3023

Cps. 2982

8 mcf/d

15 bopd

10/18/88 am

10-18-57

Cleaned out well

from 3078-3120

10000± sd & 20,000, oil

before workover 234 mcf/d

after. " " 884 mcf/d

No H2O Reported

④

4

R. 1/507
Cooper #1

Unit H 23-24-36

Elev. 3346

Gas (X) - Submerged

Camp. 6-2-49

Work over - 1-10-55

PD 3132

Lower set from 3132-2933

Depth 3020 - 3104

10,000 gal

412,000 GPD

No fluid Rep.

TD 3600

PD 3160

TP 3025

Open hole ~~2933-3025~~

Log 2 ~~2933-3025~~ 2937

~~2933-3025~~ 2937

Flow 350 GPD

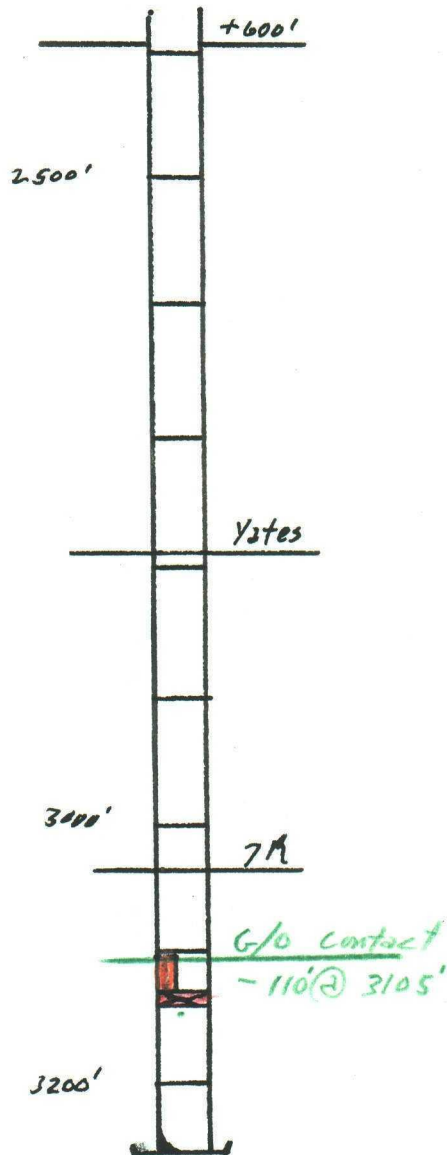
No fluid Rep.

2937-3160 shift
no flow

1,525 mcf/d

JAL OIL COMPANY

Legal No. 1 - Unit P
 Section 31-T25S-R37E
 Jalmat - OIL
 April Allowable - 8 barrels



| | |
|-----------|----------|
| Elevation | 2994' |
| TD | 3254' |
| PB | 3129' |
| T/P | 3120 |
| Formation | 7-Rivers |

| | |
|--------------|------------|
| Perforations | 3120-3128' |
| | 3105-3110' |
| | 3114-3122' |

| | |
|-----------|---------|
| Completed | 8/10/51 |
|-----------|---------|

Original Production

| | |
|---------|------------|
| 110 | BOPD |
| 204 | BWPD |
| 1.2 | MCFPD |
| Gravity | 29 degrees |
| GOR | |

February 1960 Production

| | | |
|----------------|-----------------------|---------|
| 4 | BOPD | Average |
| 27 | BWPD | |
| 6.3 | MCFPD | |
| GOR | MEERE 2530 | |
| Pumped 29 days | | |

OCC Formation Tops (Log)

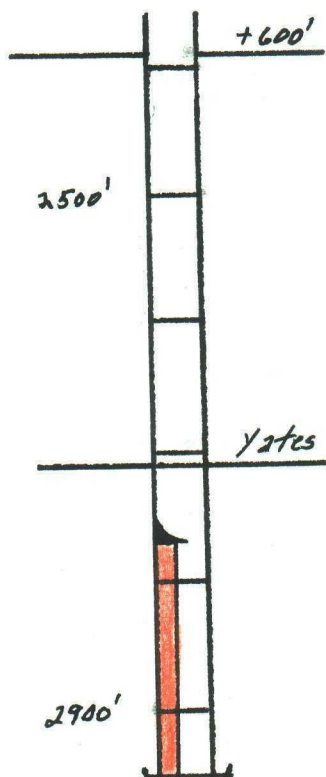
| | |
|----------|------------|
| Yates | 2788' |
| 7-Rivers | 3038' |
| Queen | 3433' est. |

Well reclassified from Cooper Jal
 to Jalmat September 1, 1955.



JAL OIL COMPANY

Legal No. 2 - Unit I
Section 31-T25S-R37E
Jalmat Gas



| | |
|-------------|------------|
| Elevation | 2989' |
| TD | 2952' |
| T/P | 2778' |
| PB | None |
| Formation | Yates |
| Casing Shoe | 2771' |
| Open Hole | 2771-2996' |
| Completed | 9/29/51 |

Original Production

| | |
|---------|------------|
| 5 | BOPD |
| NR | BWPD |
| 7000 | MCFPD |
| Gravity | 30 degrees |
| GOR | |

February 1960 Production

| | |
|-------|-------|
| NR | BOPD |
| NR | BWPD |
| 550.6 | MCFPD |
| GOR | |

Produced 20 days

| | |
|-----------------|------------------------|
| <u>Workover</u> | January 11, 1952 |
| | Frased from 2771-2996' |
| | 3000 MCFPD |

OCC Formation Tops

| | |
|----------|------------|
| Yates | 2810' |
| 7-Rivers | 3064' |
| Queen | 3419' est. |

7R

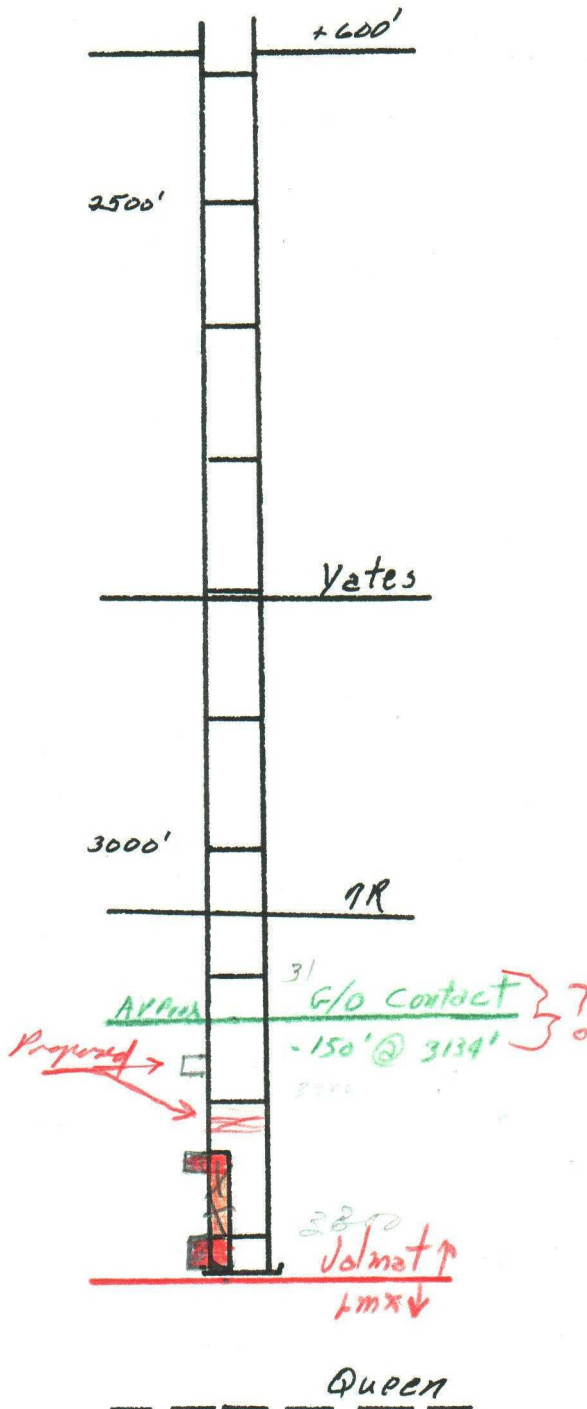
Approx G/O Contact
-150' @ 3139'

APRDX W/O Contact
-350'

C-115

JAL OIL COMPANY

Legal No. 3 - Unit *MM*
 Section *31*-T25S-R37E
 Jalmat - Oil
 April Allowable - 7 barrels



| | |
|-----------|----------|
| Elevation | 2984' |
| TD | 3336' |
| T/P | 3240' |
| BB | None |
| Formation | 7-Rivers |

| | |
|--------------|---------------------|
| Perforations | 3240-3250' |
| | 3250-3000' |
| | <i>3300 to 3336</i> |

| | |
|-----------|---------|
| Completed | 11/6/51 |
|-----------|---------|

Original Production

| | |
|---------|------------|
| 40 | BOPD |
| 227 | BWPD |
| NR | MCFPD |
| Gravity | 29 degrees |
| GOR | NR |

February 1960 Production

| | |
|------------------|----------------|
| 3.5 | BOPD) |
| 25.7 | BWPD) Average |
| 6.3 | MCFPD) |
| GOR | 1676 |
| Produced 29 days | |

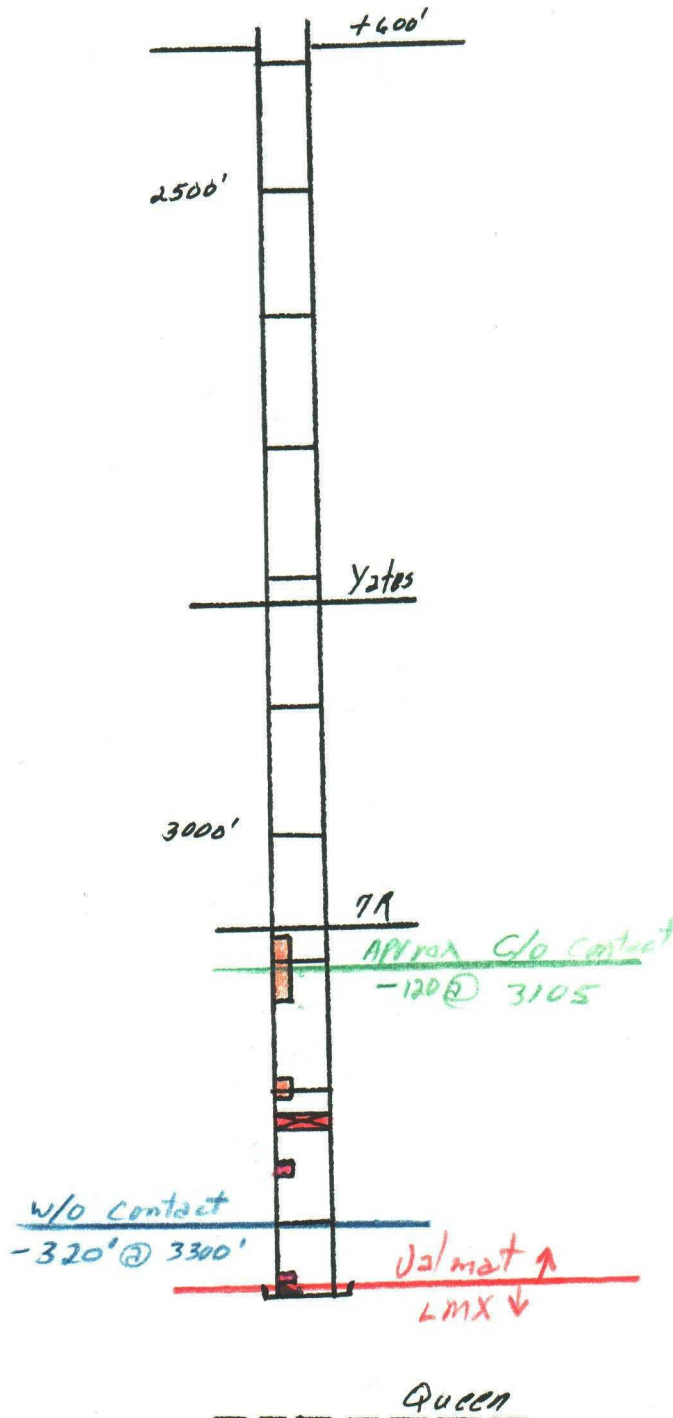
OCC Formation Tops

| | |
|----------|------------|
| Yates | 2805' |
| 7-Rivers | 3050' |
| Queen | 3435' est. |

Well reclassified from Cooper Jal to Jalmat September 1, 1955.

JAL OIL COMPANY

Legal No. 4 - Unit J
Section 31-T25S-R37E
Langlie Mattix - OIL



| | |
|-----------|-------|
| Elevation | 2989' |
| TD | 3365' |
| PB | 3223' |
| T/P | 3050' |
| Formation | Queen |

Perforations

3347-3350'
3263-3269'
3194-3202'
3080-3130'

P.B.

Completed

1/8/52

Original Production

| | |
|---------|------------|
| 100 | BOPD |
| 100 | BWPD |
| NR | MCFPD |
| Gravity | 29 degrees |
| GOR | NR |

February 1960 Production

Shutin all month.

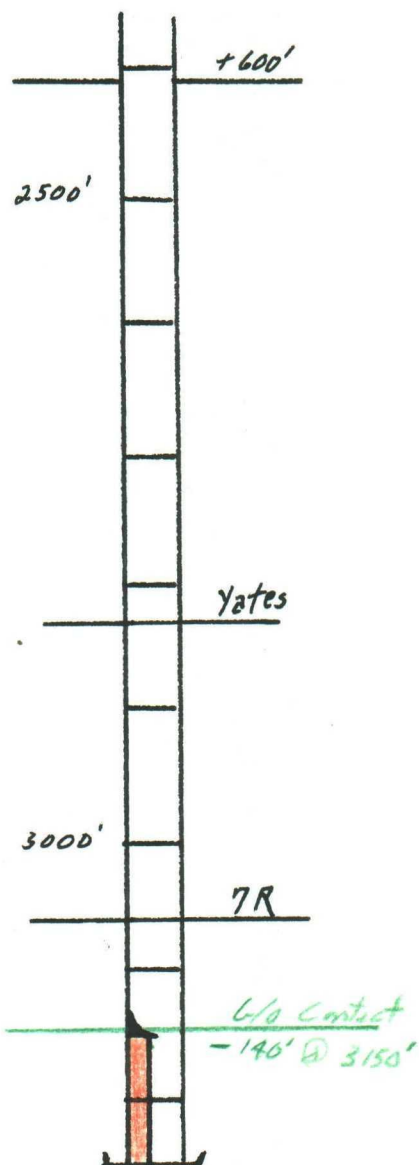
OCC Formation Tops (Log)

| | |
|----------|------------|
| Yates | 2822' |
| 7-Rivers | 3071' |
| Queen | 3456' est. |

This Well is Presently
classified as Langlie Mattix,
should be reclassified to
Jal mat-oil.

JAL OIL COMPANY

Dyer No. 1 - Unit B
Section 31-T25S-R37E
Jalmat (OIL)



| | |
|-------------|------------|
| Elevation | 3110' |
| TD | 3251' |
| PB | None |
| T/P | ? |
| Casing Shoe | 3154' |
| Formation | 7-Rivers |
| Open Hole | 3154-3251' |
| Completed | 10/2/50 |

Original Production

| | |
|---------|------------|
| 91 | BOPD |
| 10 | BWPD |
| NR | MCFPD |
| Gravity | 30 degrees |
| GOR | |

February 1960 P roduction

Well Shutin during February

OCC Formation Tops (Log)

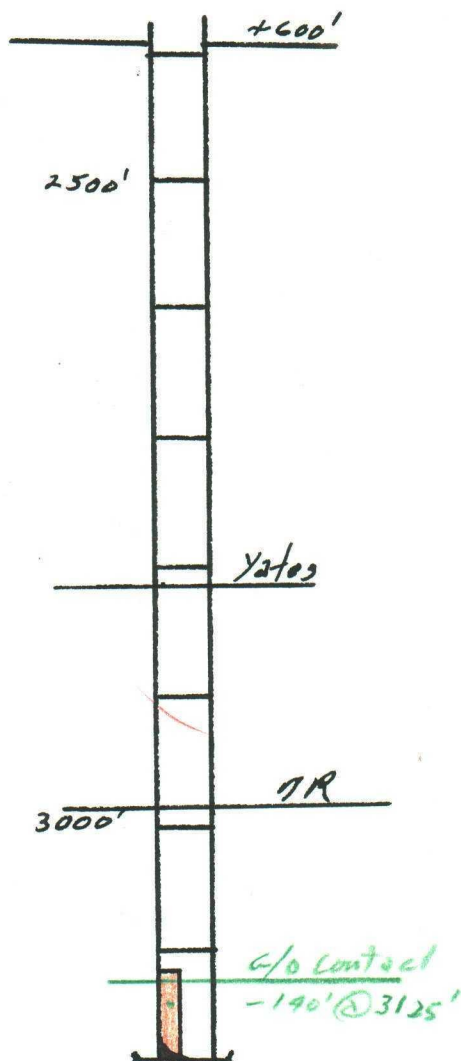
| | |
|----------|------------|
| Yates | 2830' |
| 7-Rivers | 3068' |
| Queen | 3463' est. |

Well reclassified from Cooper Jal to
Jalmat October 1, 1955.

w/o contact
-340'
Jalmat ↑
Lmx ↓
--- Queen ---

JAL OIL COMPANY

Dyer No. 2 - Unit A
 Section 31-T25S-R37E
 Jalmat (OIL)
 Allowable - April 8 barrels



| | |
|-----------|----------|
| Elevation | 2993' |
| TD | 3171' |
| PB | None |
| T/P | 3113' |
| Formation | 7-Rivers |

Present Completion Perforations

| | |
|--------------|------------|
| Dec. 8, 1954 | 3115-3170' |
|--------------|------------|

Original Completion Perforations

| | |
|-----------------|------------|
| January 3, 1953 | 3113-3171' |
|-----------------|------------|

Production December 8, 1954

| | |
|----|------|
| 40 | BOPD |
|----|------|

Original Production

| | |
|--------------------|-------|
| 72 | BOPD |
| NR | BWPD |
| NR | MCFPD |
| Gravity 29 degrees | |
| GOR | |

February 1960 Production

| | |
|---------------|-------|
| 17.8 | BOPD |
| 2.4 | BWPD |
| 277.5 | MCFPD |
| GOR | 8575 |
| Pumped 5 days | |

OCC Formation Tops(Corr.)

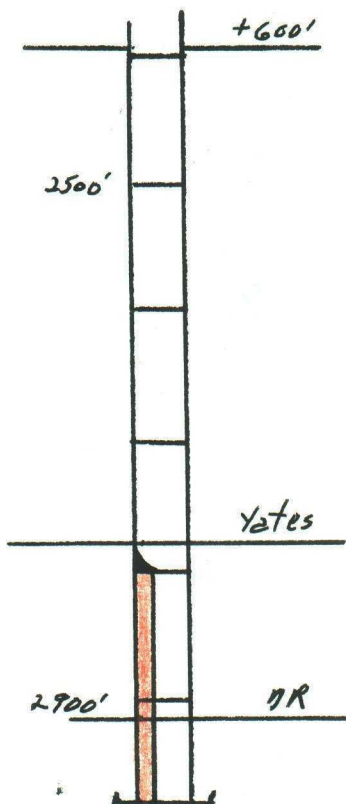
| | |
|----------|-------|
| Yates | 2810' |
| 7-Rivers | 2984' |
| Queen | 3469' |

Well reclassified from Langlie Mattix
 to Jalmat October 1, 1955 - Pumping.



JAL OIL COMPANY

Dyer No. 3 - Unit H
Section 31-T25S-R37E
Jalmat Gas



| | |
|-------------|------------------|
| Elevation | 2998' |
| TD | 2977' |
| PB | None |
| T/P | 2998' |
| Formations | Yates & 7-Rivers |
| Casing Shoe | 2800' |

Open Hole 2800-2977'

Completed 7/11/54

Original Production

| | |
|---------|------------|
| NR | BOPD |
| NR | BWPD |
| 2400 | MCFPD |
| Gravity | 29 degrees |
| GOR | |

February 1960 Production

| | |
|-----|-------|
| NR | BOPD |
| NR | BWPD |
| 150 | MCFPD |
| GOR | |

Produced for 25 days

OCC Formation Tops (Log)

| | |
|----------|------------|
| Yates | 2778' |
| 7-Rivers | 2912' est. |

G/O contact
-140 @ 3139'

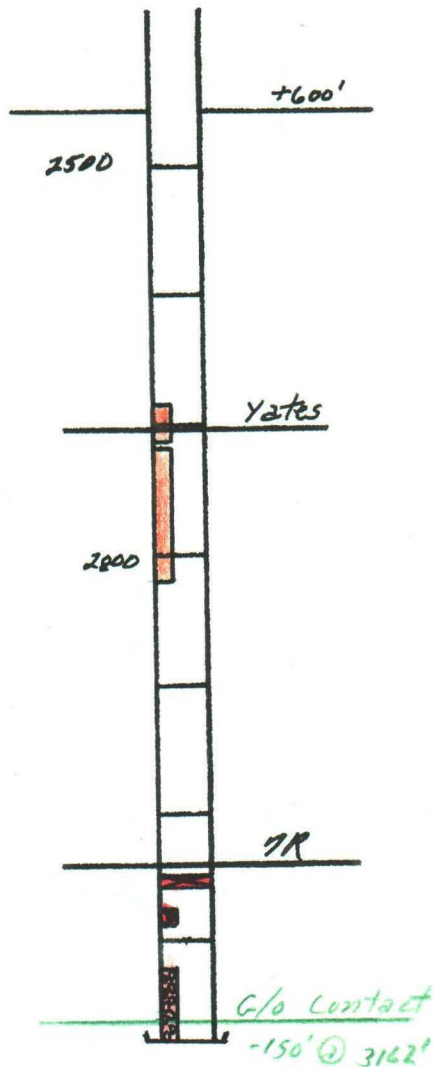
w/o contact
-340'

according to C-115



JAL OIL COMPANY

Jenkins No. 1 - Unit M
Section 29-T25S-R37E
Jalmat Gas Pool



| | |
|--------|-----------------|
| Elev. | 3012' RT |
| TD | 3173' |
| PB | 3052' |
| T/P | 2740' |
| Form. | Yates-7 Rivers |
| Perfs. | 2715-2820' |
| | 3121-3172' - PB |
| | 3072-3082' |
| | 2686-2710' |

*selective
acidizing sections
in open hole*

Shot from 2715-2830'

Completed 6/10/52

Original Production

5 BOPD
1171 MCFPD
NR BWPD
Gravity 28.5 degrees
GOR 232,200/1

February 1960 Production

NR BOPD
NR BWPD
11 MCFPD

Produced one day only
GOR ____

OCC Formation Tops

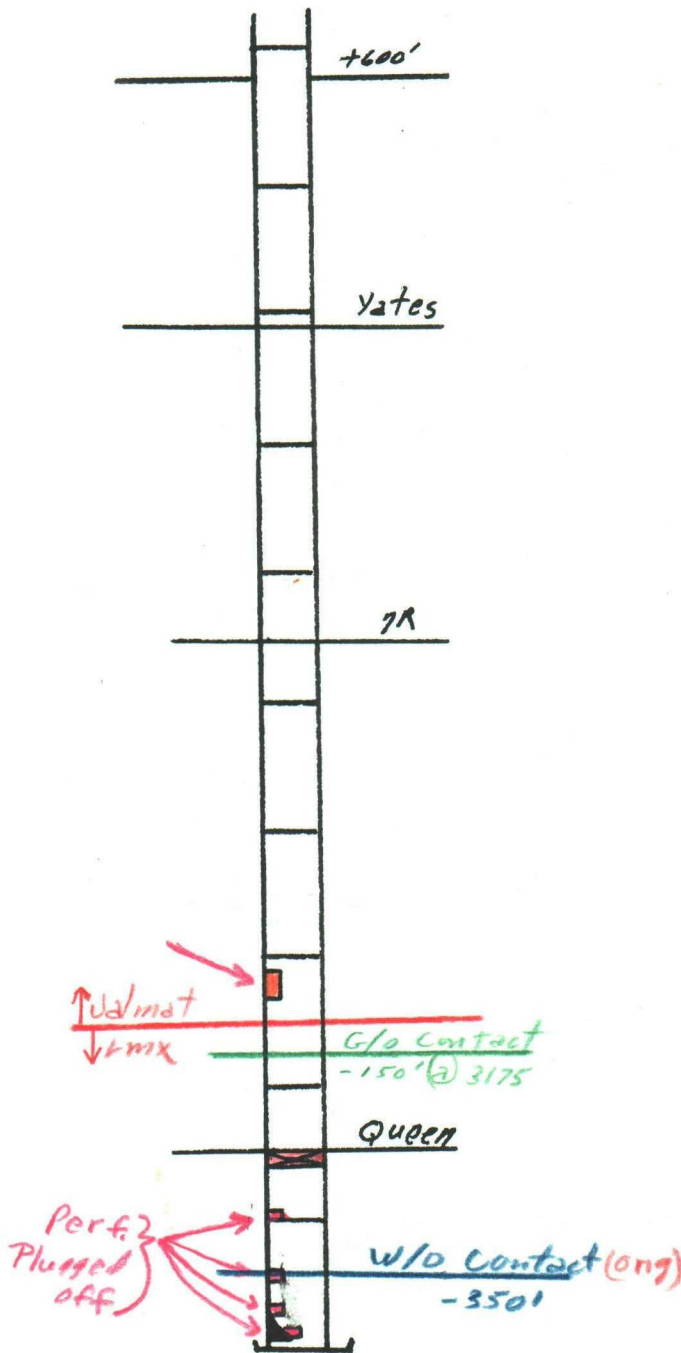
Yates 2703'
Seven Rivers 2943 est.

w/o contact (orig)
- 350'

JAL OIL COMPANY

This well should be reclassified to Jalmat Gas

Jenkins No. 2 - Unit K
Section 29-T25S-R37E
Langlie Mattix Gas



| | |
|-------------|------------------|
| Elevation | 3021' |
| TD | 3403' |
| PB | 3250' |
| T/P | 3112 |
| Formations | Yates & 7-Rivers |
| Casing Shoe | 3393' |

| | |
|--------------|-------------|
| Perforations | 3112-3132** |
| | 3296-3300' |
| | 3345-3351' |
| | 3373-3379' |
| | 3382-3389' |

P.B.

| | |
|-----------|----------|
| Completed | 12/10/51 |
|-----------|----------|

Original Production

| | |
|---------|------------|
| 30 | BOPD |
| NR | BWPD |
| NR | MCFPD |
| Gravity | 29 degrees |
| GOR | _____ |

February 1960 Production

| | | |
|----------|---------|-----------|
| NR | BOPD |) |
| NR | BWPD |) Average |
| 272 | MCFPD |) |
| GOR | _____ | |
| Produced | 29 days | |

OCC Formation Tops (Log)

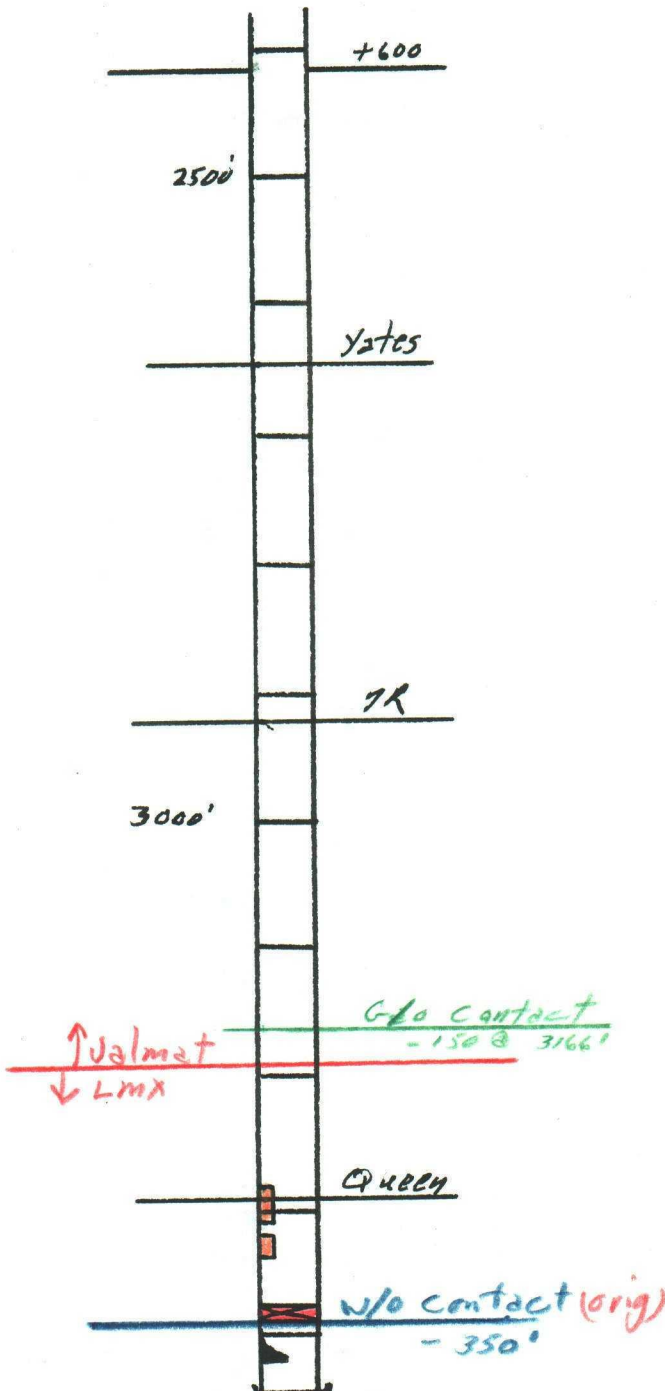
| | |
|----------|-------|
| Yates | 2610' |
| 7-Rivers | 2955' |
| Queen | 3250' |

*Upper set of perforations (3112-32') is in the Jalmat Pool

Apparently all lower perforations are plugged off - only apparent prod. set are in the Jalmat Gas zone.

JAL OIL COMPANY

Jenkins No. 3 - Unit N
 Section 29-T25S-R37E
 Langlie Mattix (OIL)
 Daily Allowable - 7 Barrels - April



Elevation 3016'
 TD 3446'
 PB 3376'
 T/P 3384'
 Formation Queen
 Casing Shoe 3417'

Perforations 3284-3309'
 3318-3335'

Completed 4/24/52

Original Production

12 BOPD
 8.8 BHPD
 NR MCFPD
 Gravity 29 degrees
 GOR

February 1960 Production

2.8 BOPD)
 8.8 BHPD) Average
 37.7 MCFPD)
 GOR
 Produced 29 days

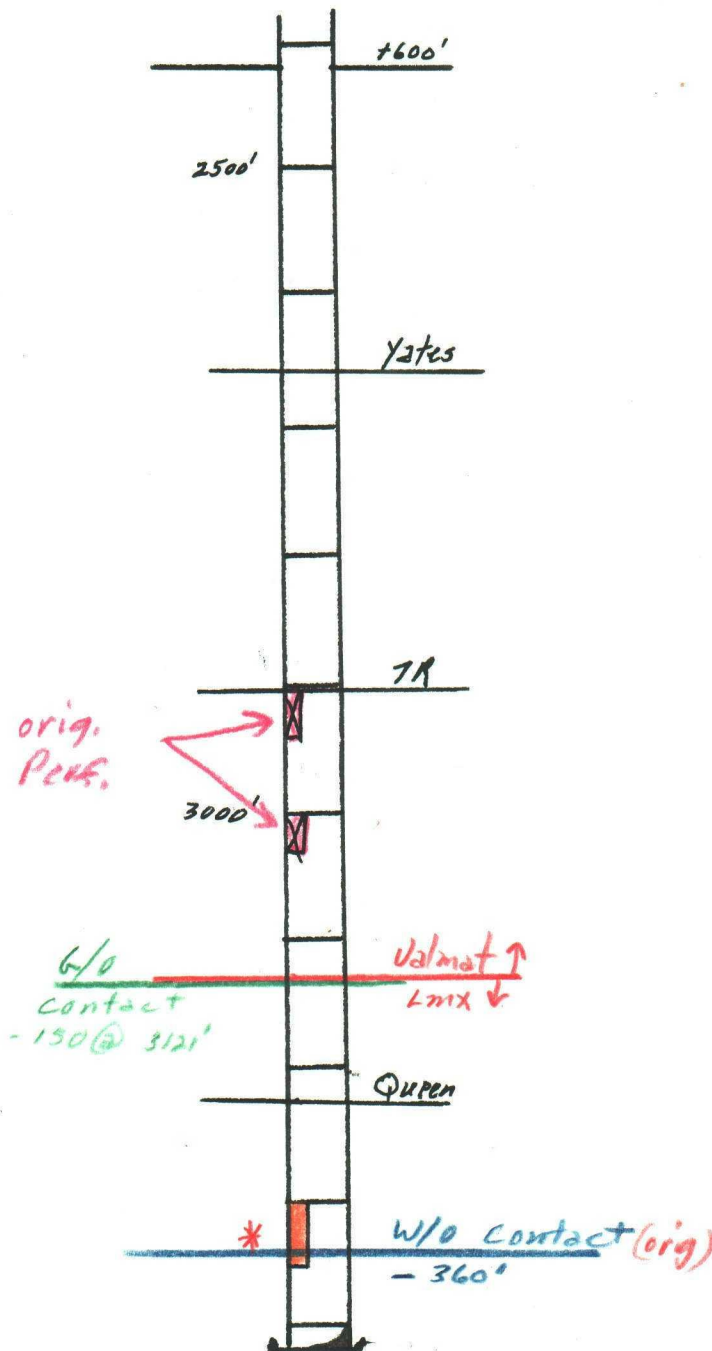
OCC Formation Tops (Logs)

Yates 2649'
 7-Rivers 2920'
 Queen 3292'

Well fraced August 26, 1955 -
 80 BO in 14 hours
 137 BOPD

JAL OIL COMPANY

Jenkins No. 4 - Unit L
Section 29-T25S-R37E
Jalmat (OIL)



| | |
|-----------|-------|
| Elevation | 3021' |
| TD | 3420' |
| PB | None |
| T/P | 2905' |
| Formation | Queen |

Perforations(present) 3300-3350'

Completed 1/14/52

Original Production

| | |
|---------|------------|
| 60 | BOPD |
| 40 | BWPD |
| NR | MCFPD |
| Gravity | 29 degrees |
| GOR | NR |

February 1960 Production

| | |
|--------------------|-------|
| 17.6 | BOPD |
| 24.3 | BWPD |
| 218 | MCFPD |
| GOR | 4140 |
| Pumped for 29 days | |

OCC Formation Tops

| | |
|----------|-------|
| Yates | 2638' |
| 7-Rivers | 2902' |
| Queen | 3256' |

Original Langlie Mattix Completion

| | |
|--------------|------------|
| Perforations | 3000-3028' |
| | 2905-2938' |

Original Langlie Mattix Production

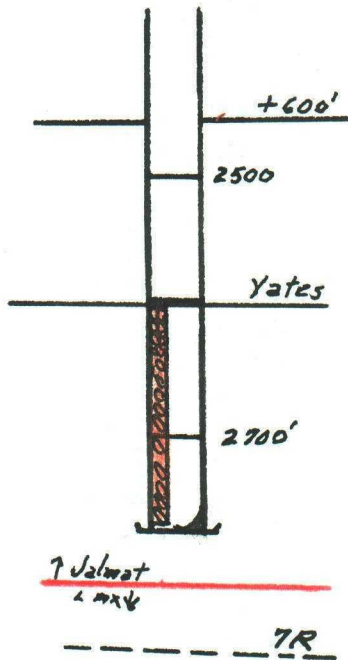
| | |
|---------|------------|
| 47 | BOPD |
| 403 | BWPD |
| Gravity | 29 degrees |

Well reclassified from Langlie Mattix Oil to Jalmat Oil January 14, 1952.

* This well should be reclassified back to Langlie mattix oil

JAL OIL COMPANY

Eva Owens No. 1 - Unit M
Section 21-T25S-R37E
Jalmat Gas



G/o Contact - 150'
② 3201'

| | |
|-----------|-------|
| Elevation | 3051' |
| TD | 2776' |
| PB | None |
| T/P | 2605 |
| Formation | Yates |

| | |
|--------------|------------|
| Perforations | 2605-2772' |
|--------------|------------|

| | |
|-----------|---------|
| Completed | 5/18/51 |
|-----------|---------|

Original Production

| | |
|--------------------|-------|
| 7 | BOPD |
| 7 | BWPD |
| 9 | MCFPD |
| Gravity 30 degrees | |
| GOR | |

February 1960 Production

| | |
|-----|-------|
| NR | BOPD |
| NR | BWPD |
| 118 | MCFPD |
| GOR | |

Produced for 29 days

OCC Formation Tops (Log)

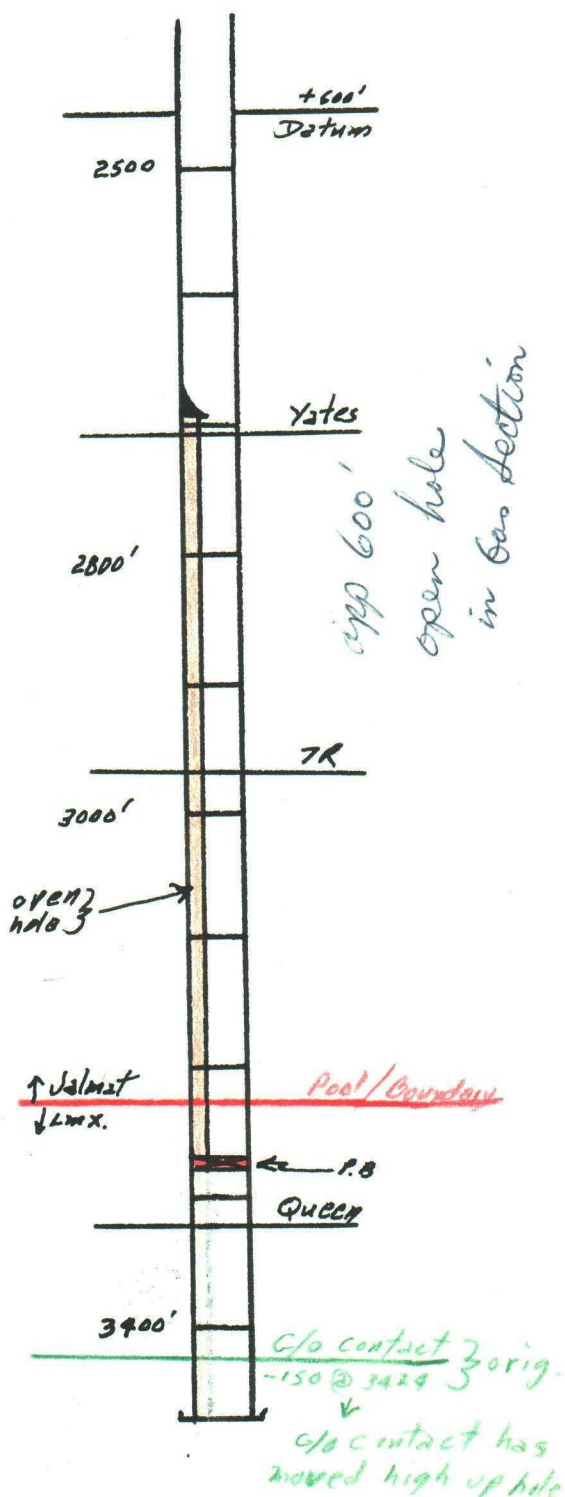
| | |
|----------|------------|
| Yates | 2605' |
| 7-Rivers | 2870' est. |

JAL OIL COMPANY

Eva Owens No. D-1 - Unit M
Section 21-T25S-R37E
Crosby-Devonian (OIL)

JAL OIL COMPANY

Watkins No. 1 - Unit A
 Section 35-T24S-R36E
 Jalmat (OIL)
 Daily allowable - 37 barrels



| | |
|-------------|------------------------|
| Elevation | 3274' |
| TD | 3475' |
| PB | 3275' |
| T/P | 2700' |
| Formations | Yates-7-Rivers & Queen |
| Casing Shoe | 2691' |
| Open Hole | 2691-3275' |
| Completed | 8/6/51 |

Original Production

| | |
|---------|-------|
| 30 | BOPD |
| NR | BWPD |
| 3600 | MCFPD |
| Gravity | |
| GOR | |

February 1960 Production

| | |
|--------------------|-------|
| 64.5 | BOPD |
| 89 | BWPD |
| 25.2 | MCFPD |
| Pumped for 17 days | |
| GOR | 448 |

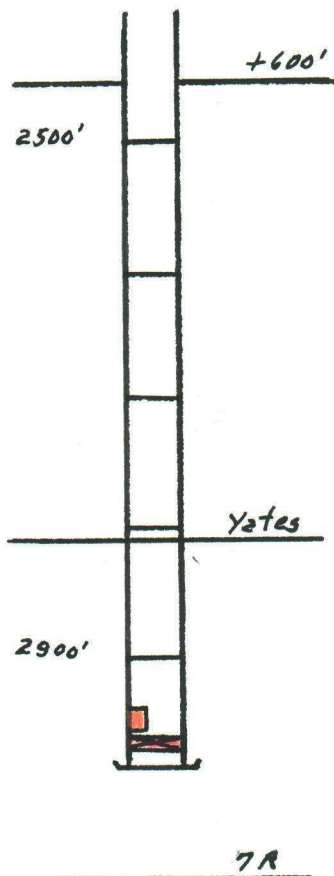
OCC Formation Tops (Logs)

| | |
|----------|-------|
| Yates | 2706' |
| 7-Rivers | 2970' |
| Queen | 3323' |

Well reclassified from gas to oil
 March 12, 1957. No workover.

JAL OIL COMPANY

Watkins No. 2 - Unit H
Section 25-T24S-R36E
Jalmat Gas Pool



| | |
|-------------|------------|
| Elevation | 3271' |
| TD | 2983' 2987 |
| PB | 2968' |
| T/P | 2942' |
| Formation | Yates |
| Casing Shoe | 2983 |

Perforations 2942-2954'

Completed 8/12/58

Original Production

| | |
|-----------|-------|
| 3325 | MCFPD |
| 168 | BWPD |
| NR | BOPD |
| Gravity - | 30 |
| GOR | — |

February 1960 Production

| | | |
|-------|-------|-----------|
| 274 | MCFPD | } Average |
| 174.4 | BWPD | |
| NR | BOPD | |
| GOR | — | |

Produced 25 days

OCC Formation Tops

| | |
|--------------|------------|
| Yates | 2810' |
| Seven Rivers | 3075' est. |

*40 Contact
-150' @ 3421'*

w/o contact

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE