

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 16, 1984

New Mexico Oil Conservation Division
District I Office
Post Office Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Re: Emergency Hardship Gas
Well Classification
Gulf-Greer No. 1
1980 FSL and 990 FWL (L)
Section 21, T-22-S, R-36-E
Lea County, New Mexico

Gentlemen:

Please find enclosed one copy of our request before the New Mexico Oil Conservation Division in Santa Fe to administratively classify our Gulf-Greer No. 1 well, located 1980 FSL and 990 FWL (L) Section 21, T-22-S, R-36-E, Lea County, New Mexico as a hardship gas well.

We respectfully request emergency approval of our request for hardship gas well classification on a temporary basis not to exceed 90 days pending final action on our formal application by the OCD Director.

Thank you for your attention to this matter.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas 79978

Attention: Mr. Paul Burchell
Conservation Engineer

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas 79978

Attention: Mr. Jim Minnick

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Northern Natural Gas Company
2223 Dodge Street
Omaha, Nebraska 68102

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 16, 1984

Offset Jalmat (Gas) Operators
Doyle Hartman-
Gulf-Greer Lease
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico

Please be advised that Doyle Hartman, as operator of the Gulf-Greer No. 1 well located 1980 FSL and 990 FWL (L) Section 21, T-22-S, R-36-E, Lea County, New Mexico has filed with the New Mexico Oil Conservation Division for administrative approval of his Gulf-Greer No. 1 well for hardship gas well classification, pursuant to NMOC Order R-7453.

If you have any questions as to the nature of the application, please do not hesitate to contact us.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: All Operators Listed on Attached Table

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

☒ Show to whom and date delivered 60¢

☐ Show to whom, date, and address of delivery

2. ☐ RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 0.60

3. ARTICLE ADDRESSED TO:

NMOCD
Post Office Box 2088
Santa Fe, New Mexico 87501

4. TYPE OF SERVICE: ARTICLE NUMBER

☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

P 265 388 092

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

POSTMARK: MAY 21 1984

Gulf-Greer Hardship/mh

P 265 338 094
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

PS Form 3800, Apr. 1976

SENT TO

Northern Natural Gas Co.

STREET AND NO

2223 Dodge Street

P.O., STATE AND ZIP CODE

Omaha, Nebraska 68102

POSTAGE \$ 88

CERTIFIED FEE 75¢

SPECIAL DELIVERY

RESTRICTED DELIVERY

SHOW TO WHOM AND DATE DELIVERED 60¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY

SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY

TOTAL POSTAGE AND FEES \$ 2.23

POSTMARK OR DATE

5-17-84

Gulf-Greer Hardship/mh

P 65 338 092
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO

NMOCD

STREET AND NO

Post Office Box 2088

P.O., STATE AND ZIP CODE

Santa Fe, NM 87501

POSTAGE \$ 2.07

CERTIFIED FEE 75¢

SPECIAL DELIVERY

RESTRICTED DELIVERY

SHOW TO WHOM AND DATE DELIVERED 60¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY

SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY

TOTAL POSTAGE AND FEES \$ 3.42

POSTMARK OR DATE

5-17-84

PS Form 3800, Apr. 1976

MIDLAND
MAY 17

PM

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

☒ Show to whom and date delivered 60¢

☐ Show to whom, date, and address of delivery

2. ☐ RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ 0.60

3. ARTICLE ADDRESSED TO:

Northern Natural Gas Company
2223 Dodge Street
Omaha, Nebraska 68102

4. TYPE OF SERVICE: ARTICLE NUMBER

☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

P 265 338 094

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☒ Authorized agent

5. DATE OF DELIVERY

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

POSTMARK: MAY 21 1984

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Gulf-Greer Hardship/mh

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☒ Show to whom and date delivered 60¢
☐ Show to whom, date, and address of delivery.. —¢

2. ☐ **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.) —¢

TOTAL \$0.60

3. **ARTICLE ADDRESSED TO:**
El Paso Natural Gas Company
Post Office Box 1492
El Paso, TX 79978

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL
P 265 338 028

(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]

5. **DATE OF DELIVERY**
MAY 21 1981

6. **ADDRESSEE'S ADDRESS (Only if requested)**
1861

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

Gulf Greer No. 1 Hardship/mh

P 265 338 017

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

PS Form 3800, Apr. 1976

SENT TO
NMOC

STREET AND NO.
Post Office Box 1980

P.O. STATE AND ZIP CODE
Hobbs, New Mexico 88240

POSTAGE \$ 88

CONSULT POSTMASTER FOR FEES

CERTIFIED FEE 75 ¢

OPTIONAL SERVICES

RETURN RECEIPT SERVICE

SHOW TO WHOM AND DATE DELIVERED 60 ¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY ¢

SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY ¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY ¢

TOTAL POSTAGE AND FEES \$2.23

POSTMARK OR DATE
5-17-84

Gulf-Greer Hardship/mh

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

P 265 338 028
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO
El Paso Natural Gas Co.
STREET AND NO.
Post Office Box 1492
P.O. STATE AND ZIP CODE
El Paso, Texas 79978

POSTAGE \$ 88

CONSULT POSTMASTER FOR FEES

CERTIFIED FEE 75 ¢

OPTIONAL SERVICES

RETURN RECEIPT SERVICE

SHOW TO WHOM AND DATE DELIVERED 60 ¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY ¢

SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY ¢

SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY ¢

TOTAL POSTAGE AND FEES \$2.23

POSTMARK OR DATE
5-17-84

Gulf Greer Hardship/mh

PS Form 3800, Apr. 1976

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☒ Show to whom and date delivered 60¢
☐ Show to whom, date, and address of delivery.. —¢
2. ☐ **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.) —¢
- TOTAL \$0.60**

3. **ARTICLE ADDRESSED TO:**
NMOC
Post Office Box 1980
Hobbs, New Mexico 88240

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL
P 265 338 017

(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]

5. **DATE OF DELIVERY** **POSTMARK**
MAY 21 1981

6. **ADDRESSEE'S ADDRESS (Only if requested)**
MAY 21 1981

7. **UNABLE TO DELIVER BECAUSE:** 7a. **EMPLOYEE'S INITIALS**

Gulf-Greer Hardship/mh



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

May 23, 1984

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Doyle Hartman
P. O. Box 10426
Midland, Texas 79702

Attention Ms. Michelle Hembree

Re: Hardship Gas Well Classification

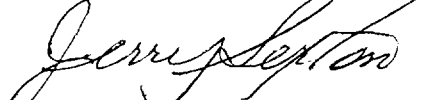
Dear Ms. Hembree:

In accordance with Division Rule 411 and as requested by your letter of May 16, 1984, the well listed below is hereby granted emergency gas well classification for a period of 90 days pending final action by the OCD Director.

Gulf Greer No. 1 Unit L Section 21, T-22-S, R-36-E Jalmat

Yours very truly,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District 1

mc

cc-Mr. Joe D. Ramey, Director
OCD, Santa Fe, New Mexico

Mr. Paul Burchell
El Paso Natural Gas Co.
El Paso, Texas

MAY 29 1984

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684.4011

May 29, 1984

Offset Operators
Doyle Hartman-
Gulf-Greer No. 1
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico

Gentlemen:

You were informed by our letter dated May 16, 1984 of our administrative application pending before the New Mexico Oil Conservation Division to classify our Gulf-Greer No. 1 as a hardship gas well to be produced at a minimum rate of 120 mcfpd.

Although our original application was applied for administratively, the Commission has routinely set all hardship applications for hearing, and the case for our Gulf-Greer No. 1 will appear on the NMOCD's docket in the very near future.

We will keep you as an offset operator informed of the status of our application insofar as it applies to you.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

/mh

cc: Mr. William F. Carr

'02

Conoco, Inc.
Post Office Box 1959
Midland, Texas 79702

02

Dalport Oil Corporation
3471 First National Bank Building
Dallas, Texas 75202

Attention: Mr. W. L. Todd, Jr.

AN

702

Sun Exploration and Production Company
One Petroleum Center, Suite 204
North A at Wadley, Building 8
Midland, Texas 79705

IAN

9702

Dallas McCasland
Post Office Box 206
Eunice, New Mexico 88231

Operator
DX 10426
EXAS 72702

Dalport Oil Corporation
3471 First National Bank Building
Dallas, Texas 75202

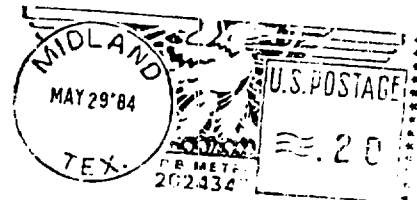
Attention: Mr. W. L. Todd, Jr.

LARTMAN
perator
DX 10426
EXAS 79702

Conoco, Inc.
Post Office Box 1959
Midland, Texas 79702

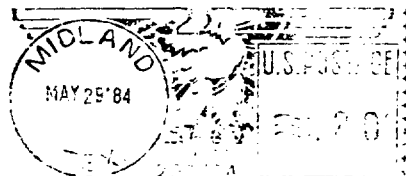
Gulf- Green No. 1 - mailed 5-29-84

ator
10426
AS 79702



Dallas McCasland
Post Office Box 206
Eunice, New Mexico 88231

RTMAN
or
0426
AS 79702



Sun Exploration and Production Company
One Petroleum Center, Suite 204
North A at Wadley, Building 8
Midland, Texas 79705

APPLICATION FOR CLASSIFICATION AS HARDSHIP GAS WELL

Operator Doyle Hartman Contact Party Michelle Hembree
Address Post Office Box 10426, Midland, Texas 79702 Phone No. (915) 684-4011
Lease Gulf-Greer Well No. 1 UT L Sec. 21 TWP 22-South RGE 36-East
Pool Name Jalmat (Gas) Minimum Rate Requested 120 mcfpd
Transporter Name El Paso Natural Gas Company Purchaser (if different) Northern Natural Gas Co.
Are you seeking emergency "hardship" classification for this well? XXX yes no

Applicant must provide the following information to support his contention that the subject well qualifies as a hardship gas well.

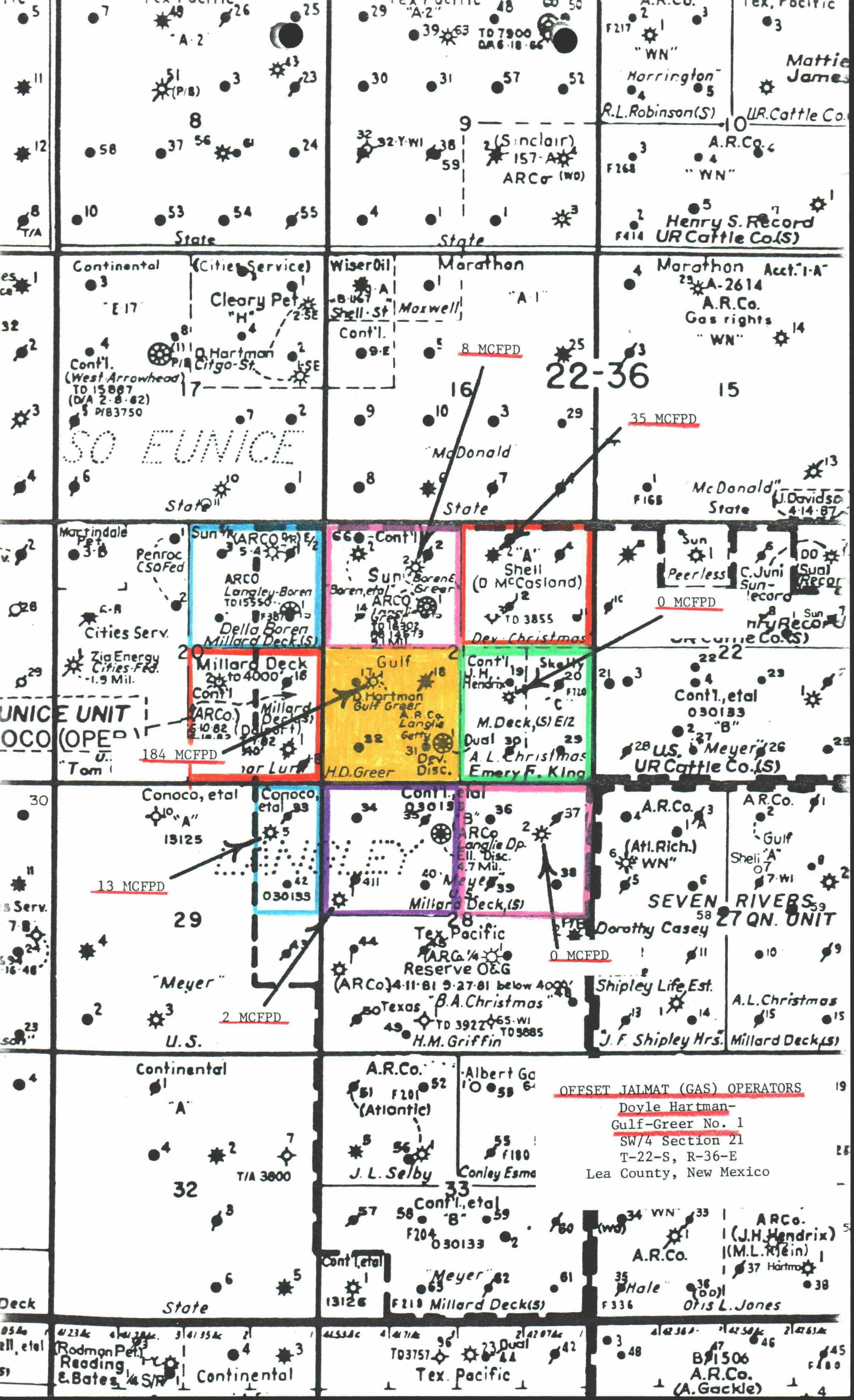
- 1) Provide a statement of the problem that leads the applicant to believe that "underground waste" will occur if the subject well is shut-in or is curtailed below its ability to produce. (The definition of underground waste is shown on the reverse side of this form)
- 2) Document that you as applicant have done all you reasonably and economically can do to eliminate or prevent the problem(s) leading to this application.
 - a) Well history. Explain fully all attempts made to rectify the problem. If no attempts have been made, explain reasons for failure to do so.
 - b) Mechanical condition of the well (provide wellbore sketch). Explain fully mechanical attempts to rectify the problem, including but not limited to:
 - i) the use of "smallbore" tubing; ii) other de-watering devices, such as plunger lift, rod pumping units, etc.
- 3) Present historical data which demonstrates conditions that can lead to waste. Such data should include:
 - a) Permanent loss of productivity after shut-in periods (i.e., formation damage).
 - b) Frequency of swabbing required after the well is shut-in or curtailed.
 - c) Length of time swabbing is required to return well to production after being shut-in.
 - d) Actual cost figures showing inability to continue operations without special relief
- 4) If failure to obtain a hardship gas well classification would result in premature abandonment, calculate the quantity of gas reserves which would be lost
- 5) Show the minimum sustainable producing rate of the subject well. This rate can be determined by:
 - a) Minimum flow or "log off" test; and/or
 - b) Documentation of well production history (producing rates and pressures, as well as gas/water ratio, both before and after shut-in periods due to the well dying, and other appropriate production data).
- 6) Attach a plat and/or map showing the proration unit dedicated to the well and the ownership of all offsetting acreage.
- 7) Submit any other appropriate data which will support the need for a hardship classification.
- 8) If the well is in a prorated pool, please show its current under- or over-produced status.
- 9) Attach a signed statement certifying that all information submitted with this application is true and correct to the best of your knowledge; that one copy of the application has been submitted to the appropriate Division district office (give the name) and that notice of the application has been given to the transporter/purchaser and all offset operators.

GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION

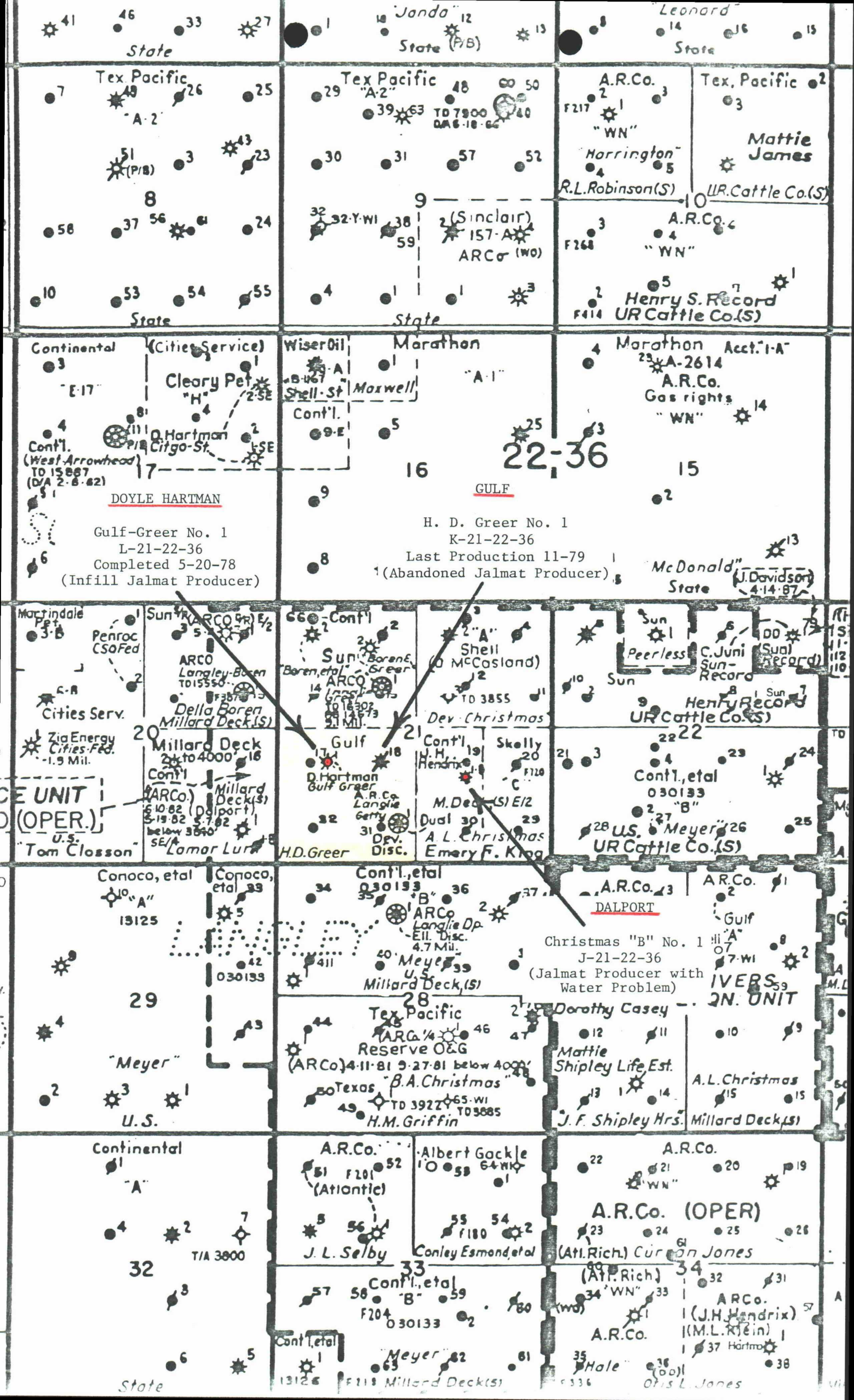
1) Definition of Underground Waste.

"Underground Waste as those words are generally understood in the oil and gas business, and in any event to embrace the inefficient, excessive, or improper use or dissipation of the reservoir energy, including gas energy and water drive, of any pool, and the locating, spacing, drilling, equipping, operating, or producing, of any well or wells in a manner to reduce or tend to reduce the total quantity of crude petroleum oil or natural gas ultimately recovered from any pool, and the use of inefficient underground storage of natural gas."

- 2) The only acceptable basis for obtaining a "hardship" classification is prevention of waste with the burden of proof solely on the applicant. The applicant must not only prove waste will occur without the "hardship" classification, but also that he has acted in a responsible and prudent manner to minimize or eliminate the problem prior to requesting this special consideration. If the subject well is classified as a "hardship" well, it will be permitted to produce at a specified minimum sustainable rate without being subject to shut-in by the purchaser due to low demand. The Division can rescind approval at any time without notice and require the operator to show cause why the classification should not be permanently rescinded if abuse of this special classification becomes apparent.
- 3) The minimum rate will be the minimum sustainable rate at which the well will flow. If data from historical production is insufficient to support this rate (in the opinion of the Director), or if an offset operator or purchaser objects to the requested rate, a minimum flow ("log off") test may be required. The operator may, if he desires, conduct the minimum flow test, and submit this information with his application.
- 4) If a minimum flow test is to be run, either at the operator's option or at the request of the Division, the offset operators, any protesting party, the purchaser and OCD will be notified of the date of the test and given the opportunity to witness, if they so desire.
- 5) Any interested party may review the data submitted at either the Santa Fe office or the appropriate OCD District Office.
- 6) The Director can approve uncontested applications administratively if, in his opinion, sufficient justification is furnished. Notice shall be given of intent to approve by attaching such notice to the regular examiner's hearing docket. Within 20 days following the date of such hearing, the affected parties will be permitted to file an objection. If no objection has been filed, the application may be approved.
- 7) Should a protest be filed in writing, the applicant will be permitted to either withdraw the application, or request it to be set for hearing.
- 8) An emergency approval, on a temporary bases for a period not to exceed 90 days, may be granted by the District Supervisor, pending filing of formal application and final action of the OCD Director. This temporary approval may be granted only if the District Supervisor is convinced waste will occur without immediate relief. If granted, the District Supervisor will notify the purchaser.
- 9) After a well receives a "hardship" classification, it will be retained for a period of one year unless rescinded sooner by the Division. The applicant will be required to certify annually that conditions have not changed substantially in order to continue to retain this classification.
- 10) Nothing here withstanding, the Division may, on its own motion, require any and all operators to show cause why approval(s) should not be rescinded if abuse is suspected or market conditions substantially change in the State of New Mexico.
- 11) A well classified as a "hardship well" will continue to accumulate over and under production (prorated pools). Should allowables exceed the hardship allowable assigned, the well will be permitted to produce at the higher rate, if capable of doing so, and would be treated as any other non-hardship well. Any cumulative overproduction accrued either before or after being classified "hardship" must, however, be balanced before the well can be allowed to produce at the higher rate.



OFFSET JALMAT (GAS) OPERATORS
Doyle Hartman-
Gulf-Greer No. 1
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico



OFFSET JALMAT (GAS) OPERATORS
Doyle Hartman-
Gulf-Greer No. 1
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico
(160 acres)

OPERATOR	LEASE & WELL NAME(S)	GAS WELL LOCATION(S)	UNIT DESCRIPTION	NUMBER OF ACRES	JALMAT AVERAGE
					PRODUCTION RATE (MCFPD)
Sun Exploration & Production Co.	Boren Lease	No Active Well	E/2 NE/4 Section 20 T-22-S, R-36-E	160	0
Sun Exploration & Production Co.	Boren & Greer Gas Com No. 2	C-21-22S-36E	NW/4 Section 21 T-22-S, R-36-E	160	8
Dallas McCasland	Devonian Christmas No. 2	B-21-22S-36E	NE/4 Section 21 T-22-S, R-36-E	160	35
Dalport Oil Corporation	Annie L. Christmas B No. 1	J-21-22S-36E	SE/4 Section 21 T-22-S, R-36-E	160	0
Conoco	Myer B-28 Battery 2 Lease	No Active Well	NE/4 Section 28 T-22-S, R-36-E	160	0
Conoco	Myer B-28 Battery 2 No. 1	E-28-22S-36E	NW/4 Section 28 T-22-S, R-36-E	160	2
Conoco	Myer A-29 A/C 2 No. 5	A-29-22S-36E	E/2 NE/4 Section 29 T-22-S, R-36-E	80	13
Conoco	Lamar Lunt No. 2	J-20-22S-36E	SE/4 Section 20 T-22-S, R-36-E	160	9

NOTE: Average Production for Doyle Hartman Gulf-Greer No. 1 for 1983 was 184 MCFPD.

Tabulation of Overage/Underage
Doyle Hartman-
Gulf-Greer No. 1
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico
Jalmat (Gas)

For the period extending from January, 1983 through the March, 1984, the Gulf-Greer No. 1 has not accumulated any overage or underage in relation to the Jalmat (Gas) pool allowable.

APPLICATION FOR CLASSIFICATION AS
HARDSHIP GAS WELL

Doyle Hartman-
Gulf-Greer No. 1
SW/4 Section 21
T-22-S, R-36-E
Lea County, New Mexico
Jalmat (Gas) Pool

1. Applicant expects that restriction of gas production from this well below a minimum of 120 mcf per day will result in "underground waste" (as defined by 1) GENERAL INFORMATION APPLICABLE TO HARDSHIP GAS WELL CLASSIFICATION). This expectation is predicated upon the observation that this well has produced water at daily volumes of from 34 bbls/day to 45 bbls/day since December, 1979, when water production from this well was initially observed. Unless sufficient gas is produced so that water flowing into the wellbore is produced (and not allowed to accumulate and eventually flow from the largely water saturated volumes of reservoir rock to the substantially gas saturated volumes of reservoir rock), loss of reserves will probably occur due to both loss of relative permeability to gas and/or loss of absolute permeability to all fluids.
2.
 - A) Water production cannot be eliminated or reduced by remedial completion practices, since the well is completed in the Seven Rivers portion of the Jalmat Pool interval between depths of 3479 feet and 3585 feet. Since no water was initially produced, none of the several Seven Rivers sands in which the well is completed had any indigenous water saturation. Any attempt to determine the source of water within the vertical formation section would require "killing" the well; the damage that this application is seeking to avoid would (or could) likely occur during the attempt to isolate the water bearing section. Even if the source of water were found to be a limited portion of the vertical section, there is a substantial risk that attempts to squeeze cement this section would also result in the reduction or elimination of gas production.
 - B) This well has a 57-D rod-pumping unit installed with a 1½" pump and 54" stroke pumping at 10 strokes per minute. Water is pumped from the tubing, while gas production flows from the casing-tubing annulus. Fluid cannot be effectively pumped from the well unless accompanied by sufficient gas production so that reduction of pump volumetric efficiency does not occur due to "gas locking" of the pump valves.
3. Initial production of this well occurred in May, 1978, but no water production was observed until December, 1979. Since December, 1979, water production has varied between about 35 bbls per day and

approximately 45 bbls per day (except for June, 1981, when water production averaged 67 bbls per day), while the observed water-gas ratio (as illustrated by the attached graph of the logarithm of water-gas ratio as a function of time) has increased irregularly. These facts serve to demonstrate that the water production is relatively invariant, while, as gas production rates decline because of depletion and pipeline prororation, the water-gas ratio increases. Examination of the water-gas ratio trend for the period August, 1983 through March, 1984 reveals a water-gas ratio irregularly increasing from about 0.2 bbl/mcf to approximately 0.27 bbl/mcf. The water-gas ratio of 0.27 bbl/mcf occurred in December, 1983, and, during that month, gas production averaged 120 mcf/d; therefore, this experience indicates that restriction of the gas production rate below 120 mcf/d will result in accumulation of water inside the wellbore and, ultimately, in "underground waste". Further, at water production rates of 35 bbls/day and with the current southern Lea County rate of \$1.31 per bbl, 16.5 mcf/day must be produced to pay for water hauling and disposal costs alone, without any consideration of other necessary costs of operation.

4. Failure to obtain a hardship well classification could result in loss of substantial gas reserves for this well; this loss can be documented as follows:

Estimated Original Gas-in-Place (5-78):
Between 1124 mmcf and 1319 mmcf

Estimated Deliverability Projected Gas Recovery Factor, Fraction of Original Gas in Place:
0.8974

Estimated Ultimate Gas Recovery, mmcf:
Decline curve projection: 1009.0
Deliverability projection: 1003.00

Cumulative Gas Recovery, mmcf at April 1, 1984:
583.914

Estimated Remaining Gas Recovery, mmcf:
Decline curve projection: 425.1
Deliverability projection: 419.1

5. Special daily tests were made for this well during the period April 17-22, 1983 with the following results:

<u>DATE</u>	<u>Produced Volumes</u>		<u>Water-Gas</u>	<u>Wellhead</u>
	<u>GAS,mcf/d</u>	<u>Water,bbl/d</u>	<u>Ratio</u>	<u>Pressure</u>
			<u>bbl/mcf</u>	<u>psi</u>
17	28	36	1.29	90
18	72	19	0.26	88
19	94	36	0.38	86
20	134	24	0.18	81
21	143	48	0.34	76
22	175	42	0.24	70

These data substantiate that, in order to prevent the probable occurrence of "underground waste", the Doyle Hartman Gulf-Greer No. 1 must be produced at a minimum rate of 120 mcf per day.

DRILLING REPORT
GULF GREER # 1
SW/4 SECTION 21
T-22-S, R-36-E
Lea County, New Mexico

- 3-31-78 Moving in on Gulf Greer # 1 - will begin drilling late tonight.
4-01-78 Moved in and rigged up rotary rig. Spudded well at 3:30 A.M.
C.S.T. 4-1-78. Now presently drilling a 12 $\frac{1}{4}$ -inch hole at a
total depth of 169 feet. Daily time breakdown: 21 $\frac{1}{2}$ hrs moving
in rotary rig, 2 $\frac{1}{2}$ hrs. drilling.
- 4-02-78 Presently WOC at a total depth of 476 feet. Drilled a 12 $\frac{1}{4}$ -inch
hole to a total depth of 476 feet. Circulated hole two hours and
then pulled and laid down drill collars. Ran 12 jts. (481.44 feet)
28 lb/ft, Grade-B, 8RD, ST&C casing and landed at 475 feet RKB.
Cemented casing with 175 sx of API class-C cement containing 4%
gel and 2% CaC/2 followed by 125 sx of API Class-C cement containing
2% CaC/2. Plug down at 7:30 P.M. CST 4-1-78. Circulated 160 sx
of excess cement to pit.
- 4-03-78 Drilling 7 7/8-inch hole at a total depth of 1120 feet. Progress
previous 24 hrs was 640 feet. Mud properties are: WT= 9.5, Vis=28
WL=NC. Daily time breakdown: 8 $\frac{1}{2}$ hrs. WOC, 4 hrs nipping up, 11 $\frac{1}{2}$
hrs. drilling. Deviation survey was 1 $^{\circ}$ @ 970 feet.
- 4-04-78 Drilling in Salado Salt section at a total depth of 1974'. Progress
previous 24 hours was 674 feet. Mud properties are: WT = 10.1,
Vis = 28, WL = NC. Deviation survey was 3/4 degrees at 1475. Daily
time breakdown was 23 $\frac{1}{4}$ hrs. drilling, $\frac{1}{4}$ hrs rig service, $\frac{1}{2}$ hr Totco.
- 4-05-78 Drilling in Salado Salt section at a total depth of 2485 feet. Progress
previous 24 hrs. was 690 feet. Mud properties are: WT = 10.1, Vis = 28,
WL = NC. Daily time breakdown: 23 3/4 hrs. drilling, 1/4 hrs rig
service.
- 4-06-78 Drilling in Tansil formation at a total depth of 3031 feet. Progress
previous 24 hours was 545 feet. Mud properties are: WT = 10.1
VIS = 28, WL = NC. Deviation survey was 1 $\frac{1}{2}$ degrees at 2677'. Daily
time breakdown: 14 $\frac{1}{2}$ hrs. drilling, 3/4 hrs TOTCO, 5 $\frac{1}{2}$ hrs. trip,
 $\frac{1}{2}$ hrs. washing to bottom, 2 hrs. rig repair, 3/4 hrs. flowline change.
- 4-07-78 Drilling in Seven-Rivers Formation at total depth of 3313 feet. Progress
previous 24 hours was 282 feet. Mud properties are: WT = 10.2
VIS = 35, WL = 11.8. Daily time breakdown: 23 hours drilling $\frac{1}{4}$ hour
rig service, 3/4 hour rig repair.
- 4-08-78 Drilling in Seven Rivers formation at a total dpeth of 3600 feet.
Progress previous 24 hrs. was 287 feet. Mud properties are: WT = 10.4
Vis = 35, WL = 6.8. Daily time breakdown: 23 $\frac{1}{2}$ hrs drilling, $\frac{1}{2}$ hrs.
rig service.
- 4-09-78 Drilled well to a total depth of 3651 feet. Circulated hole two hours
and pulled drill string. Rigged up Wellex and logged well with CDL-
Neutron-GR log and Forxo-Guard log. Found the following log tops:
Tansil - 2954 (+592)
Yates - 3113 (+433)
Seven Rivers - 3305 (+241)
Total Depth - 3651 (-105)
Went back into hole with drill string. Circulated hole one hour and
then pulled and laid down drill string. Ran 89 jts (3660) of 4 $\frac{1}{2}$ OD,
10.5 lb/ft, J-55, ST&C casing and landed at 3651 RKB.

- 4-10-78 Rigged up Halliburton and cemented 4½-inch casing in two stages with a total of 300 sx of 50-50 blend of API Class-C cement and Pozmix-"A" containing 18% salt and ¼ lb/sx Floccel, 550 sx of API class - C cement containing 3% Halliburton Econolite, and 100 sx of API Class - C neat cement. Final plug down at 12:10PM CST 4-9-78. Circulated a total of 150 sx of excess cement to pit. Pressure tested casing to 2000 psi. Pressure held okay. Released pressure and DV - Tool held okay.
- 4-11-78 Waiting on well service unit. Propose perforating well with a total of 19 holes with one shot each at:
- 3286
 - 3350
 - 3362
 - 3411
 - 3420
 - 3479
 - 3483
 - 3487
 - 3495
 - 3502
 - 3515
 - 3531
 - 3535
 - 3539
 - 3560
 - 3564
 - 3578
 - 3582
 - 3586
- 4-12-78 Moved in and rigged up well service unit and reverse circulating unit. Went into hole with 3 7/8-inch bit, 6 drill collars, and 78 jts of 2 3/8 tubing. Tagged top of DV-Tool at approximately 2660 feet. Now ready to drill out DV-Tool and clean well out to a PBTD of 3630 feet.
- 4-13-78 Drilled out DV-Tool and cleaned well out to a PBTD of 3623 RKB. Pulled tubing and laid down drill collars and bit. Rigged up Apache Services and logged well with GRN-CCL log. Perforated well with select-fire casing gun with a total of 19 holes with one shot each at:
- 3286
 - 3350
 - 3362
 - 3411
 - 3419
 - 3479
 - 3483
 - 3487
 - 3495
 - 3499
 - 3503
 - 3531
 - 3535
 - 3538
 - 3560
 - 3563
 - 3578
 - 3581
 - 3585
- Ran 112 jts of 2 3/8 tubing and landed at 3584 RKB. Circulated hole with 2200 gal of 2% KCL water. Spotted 230 gal of 15% MCA acid across perforations. Pulled bottom of tubing to 3232 feet. Shut down for

- 4-14-78 Rigged up Halliburton and acidized well with a total of 5200 gal of 15% MCA acid at an average treating rate of 4.6 BPM and average treating pressure of 1750 psi. Maximum treating pressure was 3500 psi. ISIP = 500 psi. 1-minute SIP = 0 psi. Lowered tubing to a depth of 3491 RKB (108 jts @ avg jt. length = 32.25 feet/jt). Removed BOP and buttoned up wellhead. Installed lubricator and started swabbing well to pit. Swabbed well to pit for nine hours. At the end of the swab period, the swabbing fluid level was 3000' from surface and the casing pressure was 240 psi. Shut down for night.
- 4-15-78 Overnight SITP = 218 psi and SICP = 260 psi. Placed well on a 20/64 choke, but well would not flow. Installed lubricator and resumed swabbing well to pit. Swabbed well to pit for 10 hours. By the end of the day, fluid level had been lowered to 3100 feet from surface. The appearance of the water recovered during the swab period indicated that it was a mixture of load water and South Eunice Unit (SEU) injection water.
- 4-16-78 Overnight SITP = 120 psi and SICP = 338 psi. Went into hole with swab and resumed swabbing well to pit. Swabbed well to pit for a total of 11 hours. Fluid level at the beginning of the day was 2400 feet from surface. By the end of the swab period, the fluid level had been lowered to 3000 feet. Fluid from well appeared to be a mixture of acid (load) water and injection water from Conoco's SEU waterflood. Obtained both swab samples and samples from SEU injection system for analysis. At the end of the swab period, rigged up John West bottom-hole pressure equipment and went into hole with pressure bomb. Landed bomb at 3450 feet. At 7:00PM 4-15-78, SITP = 7 psi, SICP = 173 psi.
- 4-17-78 Shut down for Sunday. SITP = 47 psi and SICP = 322 psi. Pulled bottom hole pressure bomb. Pressure reading at start of buildup was 253 psi and 22 hours later was 417 psi. Final build-up pressure is abnormally high for this area thus indicating possible water breakthrough in one of the Jalmat porosity units.
- 4-18-78 Shut down due to high winds.
- 4-19-78 Pulled tubing, went back into hole with tubing equipped with packer and retrievable bridge plug. Isolated single perforation at 3286. Found fluid level 2800 feet from surface. After four swab runs, lowered fluid level to 3200 feet from surface. Fluid level remained at 3200 feet from surface for three additional runs. Zoned at 3286 yielded up water with no show of gas.

Lowered packer and bridge plug to isolated perforations at 3350' and 3361'. Found fluid level at 2800 feet from surface. After five swab runs, fluid level was still standing at 2800 feet from surface. Zone from 3350' - 3361' yielded up water with a good show of gas.

Lowered packer and bridge plug to isolate zone from 3560' to 3585'. Found fluid level at 2800 feet from surface. After first swab run, lowered fluid level to 3100 feet from surface. Fluid level remained at 3100 feet from surface until rig shut down for night. Zone from 3560' - 3585' yielded up water with slight show of gas.

- 4-20-78 With use of packer and Bridge Plug, continued swabbing well to pit. After swabbing and adjusting packer and bridge plug for 10 hours. Confirmed that South Eunice Unit injection water was entering well bore between 3250 feet and 3419 feet. Prior to shutting down for night, set packer at 3450 feet and bridge plug at 3610 feet. Rigged up John West bottom hole pressure unit and placed pressure bomb in tubing at 3450 feet for overnight build up.
- 4-21-78 Pulled bottom hole pressure bomb and found an initial build up pressure of 126 psi and final build up pressure 237 psi, thus confirming crossflow of South Eunice Unit injection water from upper Jalmat perfs into lower Jalmat perfs. Pulled tubing packer and bridge plug. Went into hole with tubing equipped with a drillable bridge plug and set at 3450 feet. Pulled tubing. Reran tubing equipped with cement retainer and landed at 3250 feet. Now ready to set retainer and squeeze cement perforations from 3286 feet to 3419 feet. Shut down for night.
- 4-22-78 Set cement retainer at 3227 feet. Rigged up Halliburton and squeezed perforations from 3286 to 3419 (total of five holes) with 100 sx of API Class-C cement containing 1% Holad-3 followed by 50 sx of API Class-C cement containing 5 lbs of sand per sack. Final squeeze pressure was 3000 psi with no drop in pressure. Reversed out 3 sx of excess cement. Pulled tubing. Shut down for remainder of day.
- 4-23-78 Shut down for weekend.
- 4-24-78 Shut down for weekend.
- 4-25-78 Rigged up reverse drilling unit. Went into hole with tubing, drill collars, and bit. Drilled out cement retainer and cement inside of casing to a depth of 3379 RKB. Pressure tested perforations between 3286 - 3362 (three holes) to 1500 psi. Pressure held okay. Now prepared to finish drilling out cement to top of drillable bridge plug at 3448 and 3419.
- 4-26-78 Finished drilling out cement inside of 4½ O.D. casing to the top of the drillable bridge plug at 3448 RKB. Pressure tested perforations between 3286 - 3419 to 1500 psi. All five perforations held with no drop in pressure. Drilled slips on drillable bridge plug and then pushed remainder of plug to bottom of hole at 3623 RKB. Pulled tubing and laid down drill collars and bit. Ran tubing equipped with a RTTS packer and set packer at 3448 RKB. Rigged up Halliburton and acidized well with 3000 gal of MOD - 202 acid at an average treating rate of 6.7 BPM and average treating pressure of 2300 psi. ISIP = 0 psi. Pulled tubing and removed packer. Ran 109 jts of 2 3/8 tubing and landed at 3523 RKB. Installed lubricator and started swabbing load to pit. Made a total of 9 swab runs before shutting down for night. At the end of the swab period fluid level was 3300 feet from surface and casing pressure was 70 psi. After overnight shut in fluid level in tubing was 3150 from surface and casing pressure was 100 psi. SITP = 50 psi. Now ready to rig up Halliburton and frac well down tbg and casing-tubing annulus with gelled water and CO2.
- 4-27-78 Rigged up Halliburton and fraced well down tubing and casing-tubing annulus with 40,000 gallons of gelled water and CO2 plus 80,000 pounds of 20-40 and 10-20 frac sand at rate of 18 BPM and treating pressure of 2200 psi. ISIP = 900 psi. After leaving well shut in for 1 hour, opened well up to pit. Well flowed CO2 ^{and} load water to pit for 2 hours before dieing. Installed lubricator and swabbed and flowed well to pit for 3 1/2 hroues before shutting down for night. Fifteen minutes after shutting well in for night, SICP = 270 psi and SITP = 220 psi.

4-28-78 Overnight SITP=280 psi and SICP = 280 psi. Rigged up John West Engineering Co. BHP Unit and ran static BHP at 3513 feet with gradient stops between 3300 feet and surface. Found the following results:

<u>Depth (FT)</u>	<u>Pressure (PSI)</u>	<u>Gradient (PSI/FT)</u>
0	283	
1000	300	.017
2300	325	.019
2500	329	.020
2700	332	.015
2900	336	.020
3100	341	.025
3300	344	.015
3513	350	.028

Bled pressure off tubing and installed swab lubricator. Made one swab run and well kicked off flowing. Six hours after kicking well off, well flowing to the pit on a 64/64 choke at the rate of 702 MCFPD plus an undertimed amount of load water. FTP = 13 psi FCP = 218 psi.

5-1-78 Flowing gas and frac fluid to pit on a 64/64 choke. FTP = 18psi. FCP = 173 psi.

5-2-78 Cleaning well up to pit on a 64/64 choke. FTP = 24 psi. FCP = 165 psi.

5-3-78 Cleaning well up to pit on a 64/64 choke. FTP = 24. FCP = 155.

5-4-78 Cleaning well up to pit on a 64/64 choke. FTP = 23 psi FCP = 149 psi

5-5-78 Cleaning well up to pit on a 32/64 choke. FTP = 53 psi FCP = 180 psi

5-8-78 Cleaning well up to pit on a 64/64 choke. FTP = 24 psi FCP = 138 psi

5-9-78 Cleaning well up to pit on a 64/64 choke. FTP = 22 psi FCP = 138 psi

5-10-78 Cleaning well up to pit on a 64/64 choke. FTP = .8 psi FCP = 165 psi

5-11-78 Preparing to run four point test

5-12-78 Cleaning well up to pit on a 64/64 choke. FTP = 10 psi FCP = 165 psi

5-15-78 Ran 24 hour potential test. Well produced 488 MCFPD plus 5 BWPD on a 32/64 choke. FTP = 65 psi FCP = 170 psi.

PROPERTY		
FE		
OFFICE		
ATOR		

SUNDARY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM AND PROCEED TO RULE 11103 IF THE WELL HAS TO A DIFFERENT RESERVOIR.
USE APPLICATION FOR PERMIT TO PRODUCE OIL FROM OTHER RESERVOIRS.1. ☐ OIL WELL ☒ GAS WELL ☐ OTHER

Name of Operator

J. E. Hartman

Address of Operator

C & K Petroleum Bldg; Midland, Texas 79701

Location of Well

T. 1 L. 1980 FEET FROM THE South LINE AND 990 FEET FROM

West LINE, SECTION 21 TOWNSHIP 22-S RANGE 36-E N.M.P.M.

15. Elevation (Show whether DF, RT, GR, etc.)

3546 G.L.

5a. Indicate Type of Lease

State ☐Fee ☒

5. State Oil & Gas Lease No.

7. Unit Agreement Name

8. Name of Lease Name

Gulf - Greer

9. Well No.

1

10. Field and Pool, or Wildcat

Jalmat Gas Pool

12. County

Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

1. ☐ REMEDIAL WORK
2. ☐ PARTIALLY ABANDON
3. ☐ ALTER CASING4. ☐ PLUG AND ABANDON
5. ☐ CHANGE PLANS6. ☐ REMEDIAL WORK
7. ☐ COMMENCE DRILLING OPS.
8. ☐ CASING TEST AND CEMENT JOB9. ☐ ALTERING CASING
10. ☐ PLUG AND ABANDONMENT

OTHER Squeeze Job (3286 - 3419)

☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed operations.) SEE RULE 1103.

Drilled out DV-Tool at a total depth of 2660 feet and then cleaned well out to a total depth of 3630 RKB. Perforated Jalmat Gas interval from 3286-3585 w/19 shots and then acidized perforated section with a total of 5200 gal. of 15% MCA acid. Upon recovering load water, terminated well was producing South Eunice Unit injection water plus a small quantity of gas. After swabbing well for two additional days with the use of a RTTS packer and retrievable bridge plug, verified that injection water was being produced out of upper Jalmat Gas perforations between 3286 - 3419 (above the South Eunice Unit unitized interval). Ran drillable bridge plug and set at 3448 RKB and set cement retainer at 3227 RKB. Squeezed perforations 3286-3419 (total of five holes) with 100 sx of API Class-C cement containing Halad-3 followed by 50 sx of API Class-C cement containing 5 lbs of sand per sack. Final squeeze pressure was 3000 psi with no drop in pressure. Now ready to drill out cement to the top of the drillable bridge plug and pressure test perforations 3286 - 3419.

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

J. E. Hartman

TITLE Operator - Part Owner

DATE 4-24-78

Orig. Signed By:
Jerry Sexton

Dist 1, Supv.

TITLE

APR 26 1978

SIGNATURES OF APPROVAL, IF ANY:

Doyle Hartman
 Gulf Greer No. 1
 L-21-22-36
 (G.L. 3546)

(+446)

3100

3200

3300

3400

3500

Suggested
 Interval

Sumner Gas
 Interval

Top of Unitized Interval
 Oil & casinghead Gas only

Top of South Eureka (L-21-22-36)

4. 7-78 to 4-16-78

Interval: 3285 - 3585 (Entire Perf. Interval)

Remarks: Crossflow occurring between upper perforations and lower perforations.

DATE	TIME	CUM. HRS./MIN.	PSIG @ 3,450 FEET	DATE	TIME	CUM. HRS./MIN.	PSIG @ 3,450 FEET
4-15-78	5:45 PM	00 HRS. 00 MIN.	415	4-16-78	11:45 AM	18 HRS. 00 MIN.	415
4-15-78	6:00 PM	00 15	416	4-16-78	1:45 PM	20 00	416
		00 30	272	4-16-78	4:00 PM	22 HRS. 15 MIN.	417 GAUGE OFF BOTTOM
		00 45	285				
		01 00	296				
		01 30	312				
		02 00	322				
		03 00	337				
		04 00	349				
		05 00	360				
4-15-78	11:45 PM	06 00	370				
4-16-78	12:45 AM	07 00	378				
		08 00	387				
		10 00	396				
		12 00	403				
		14 00	408				
4-16-78	9:45 AM	16 00	412				

TEST DATE: APRIL 15-16, 1978

TEST DEPTH: 3,450 FEET

ELEMENT NO.: 9749

RANGE: 0-1400 PSI

CLOCK NO.: C-4020

RANGE: 0-24 HOUR

DOYLE HARTMAN

GULF GREER WELL NO. 1

BOTTOM HOLE PRESSURE BUILD-UP TEST

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO

Date: 4-17-78 Drawn by: MCT Scale: AS SHOWN

TIME IN HOURS

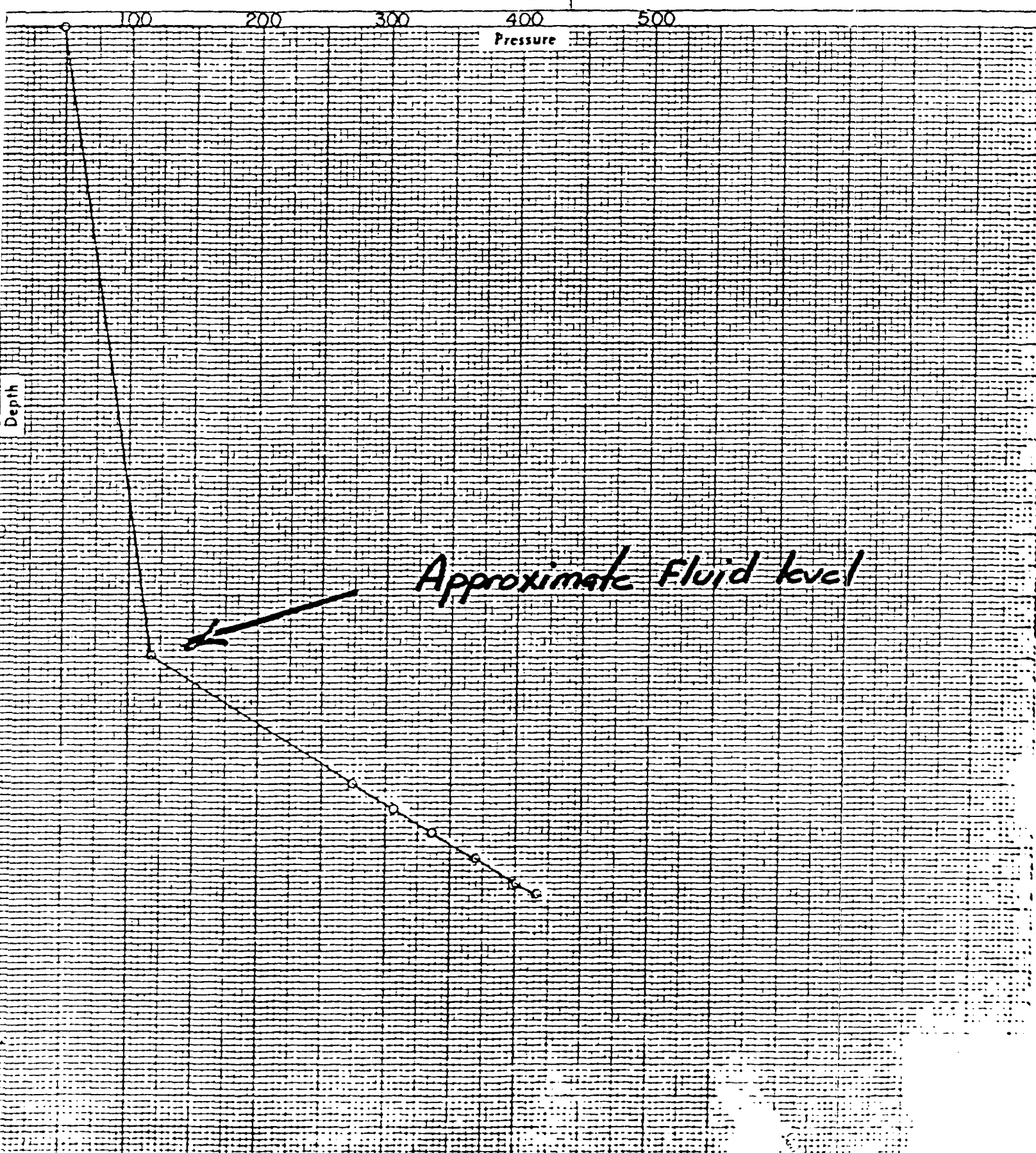
0 3 6 9 12 15 18 21 24

450 400 350 300 250

BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR DOYLE HARTMAN
LEASE GULF GREER
WELL NO. 1
FIELD _____
DATE 4-16-78 TIME 4:00 P.M.
STATUS SHUT-IN TEST DEPTH 3,450'
TIME S.I. 22 HRS. LAST TEST DATE _____
CAS. PRES. _____ BHP LAST TEST _____
TUB. PRES. 49 PSIG BHP CHANGE _____
ELEV. _____ FLUID TOP _____
DATUM _____ WATER TOP _____
TEMP _____ RUN BY B.D.
CLOCK NO. C-4020 GAUGE NO. 19389
ELEMENT NO. 9749 (0-1400 PSI)

DEPTH	PRESSURE	GRADIENT
000	49	
2500	118	.028
3000	274	.312
3100	306	.320
3200	337	.310
3300	371	.340
3400	401	.300
3450	417	.320



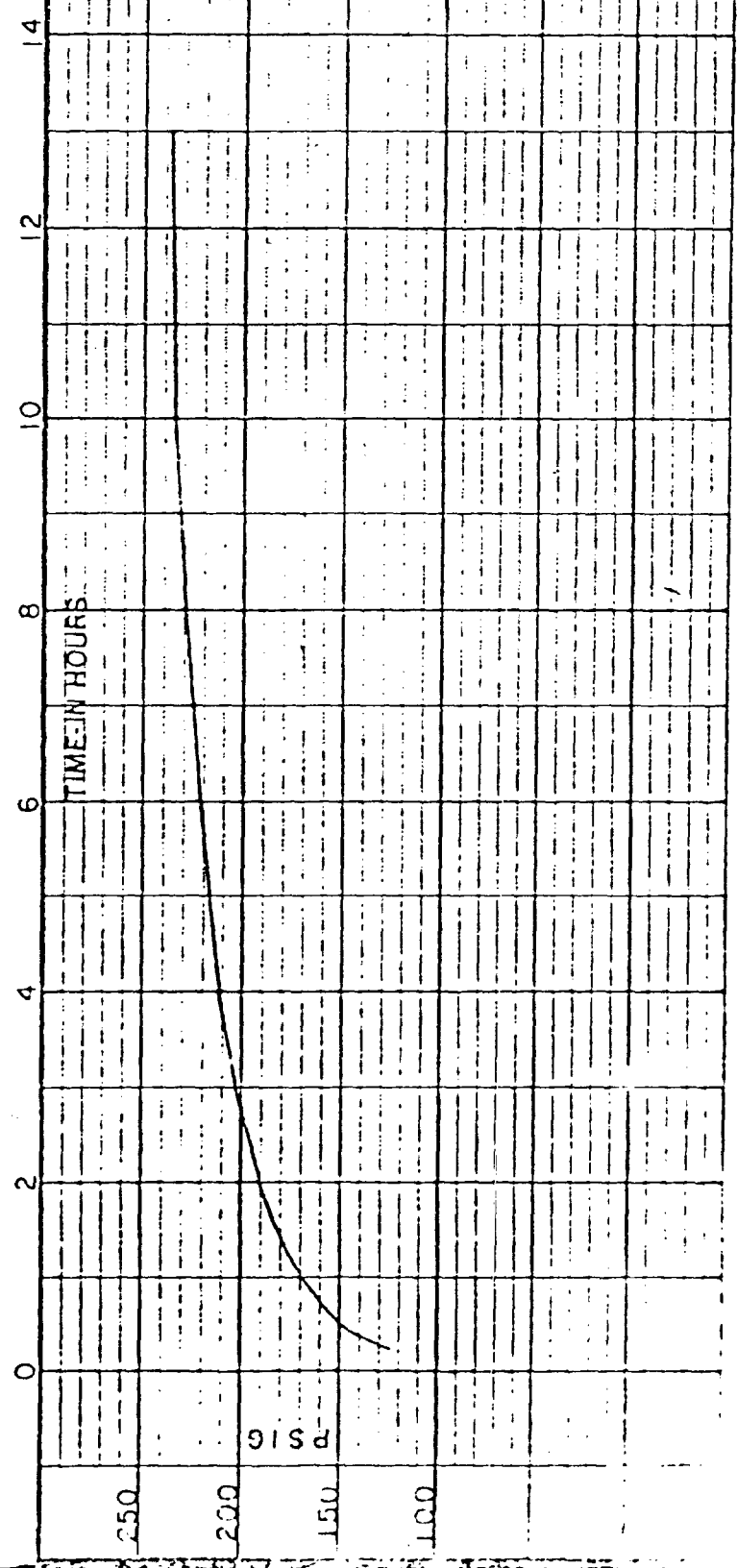
4-19-78 + 4-20-78
Interval: 3479-3585 (Lower Jalmat Interval)

Remarks: Lower Jalmat perms are isolated from upper Jalmat perms and no cross-flow is occurring.

Note: Final buildup pressure on second test is less than starting buildup pressure on first pressure test.

TEST DATE: APRIL 19-20, 1978
TEST DEPTH: 3,450 FEET
ELEMENT NO: 9749
RANGE: 0-1400 PSI
CLOCK NO: C-4020
RANGE: 0-24 HOUR

DATE	TIME	CUM. HRS. / MIN.	PSIG @ 3,450 FEET
4-19-78	6:00 PM	00 HRS 00 MIN	LAST SWABB OUT
4-19-78	6:15 PM	00 15	126 GAUGE REACHED 3450'
		00 30	148
		00 45	160
		01 00	170
		01 30	180
		02 00	190
		03 00	202
		04 00	212
		05 00	217
4-19-78	11:00 PM	06 00	222
4-20-78	12:00 MN	07 00	226
	1:00 AM	08 00	229
		09 00	231
		10 00	233
		11 00	234
		12 00	236
4-20-78	7:00 AM	13 00	237 GAUGE OFF BOTTOM



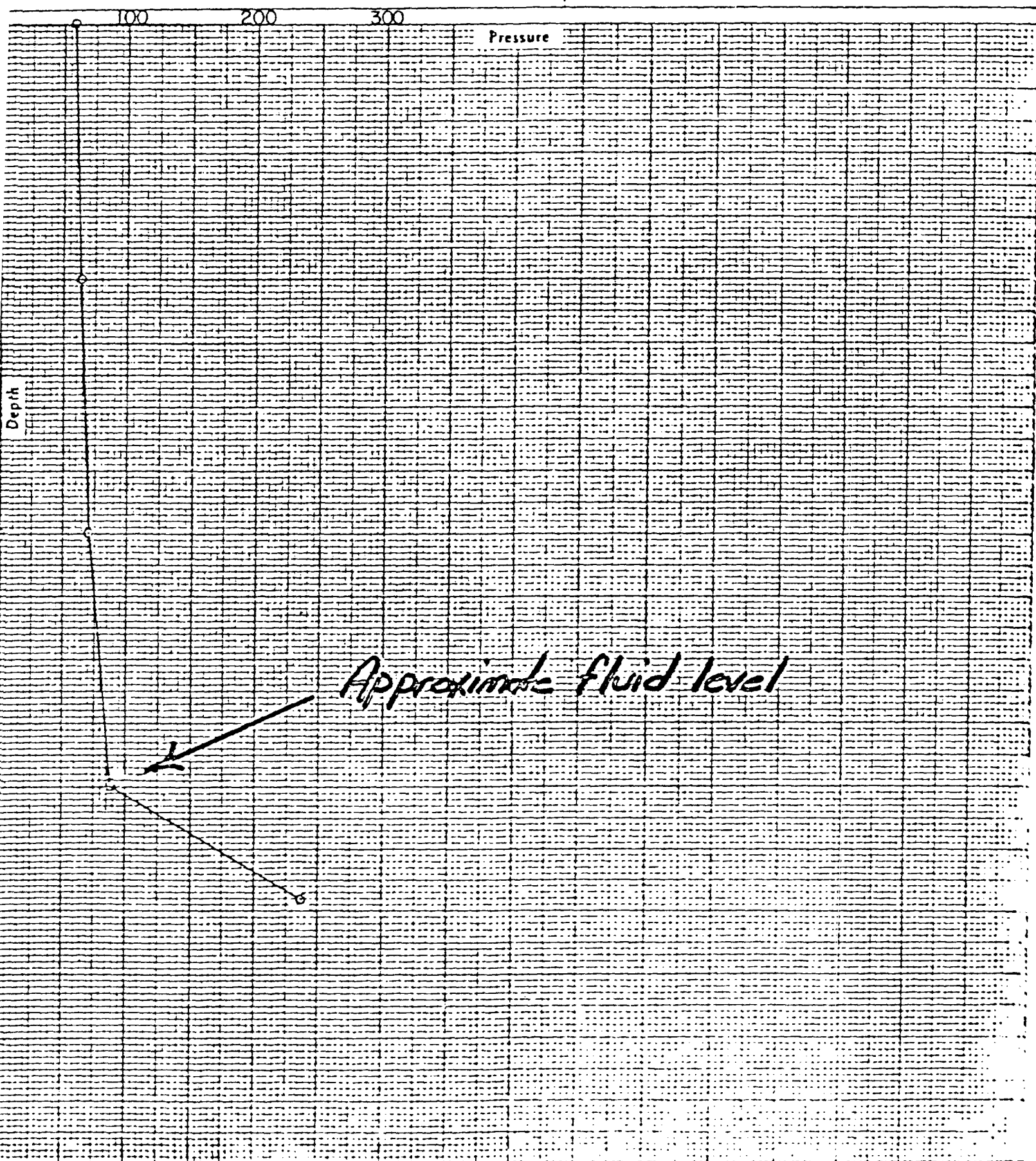
DOYLE HARTMAN

GULF GREER WELL No. 1
BOTTOM HOLE PRESSURE BUILD-UP TEST

BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR DOYLE HARTMAN
LEASE GULF GREER
WELL NO. 1
FIELD _____
DATE 4-20-78 TIME 7:00 AM
STATUS SHUT IN TEST DEPTH 3,450'
TIME S.I. 13.0 HRS LAST TEST DATE _____
CAS. PRES. _____ BHP LAST TEST _____
TUB. PRES. 59 PSIG BHP CHANGE _____
ELEV. _____ FLUID TOP _____
DATUM _____ WATER TOP _____
TEMP _____ RUN BY J.A.B.
CLOCK NO. C-4020 GAUGE NO. 19389
ELEMENT NO. 9749 (0-1400 Psi)

DEPTH	PRESSURE	GRADIENT
000	59	
1000	64	.005
2000	71	.007
3000	88	.017
3450	237	.331



Gulf Greer No. 1
Well Service Jobs

10-17-80	Change pump
11-21-80	Hole in tubing--24 joints down
12-11-80	Hole in tubing--35 joints down
2-11-81	Hole in tubing--103 joints down
6-09-81	Hole in tubing--13 joints down
8-19-81	Hole in tubing--76 joints down
12-16-81	Change pump--pump stuck in SN
12-19-81	Change pump--pump stuck
2-01-82	Tubing leak--62 joints down
12-03-83	Change pump

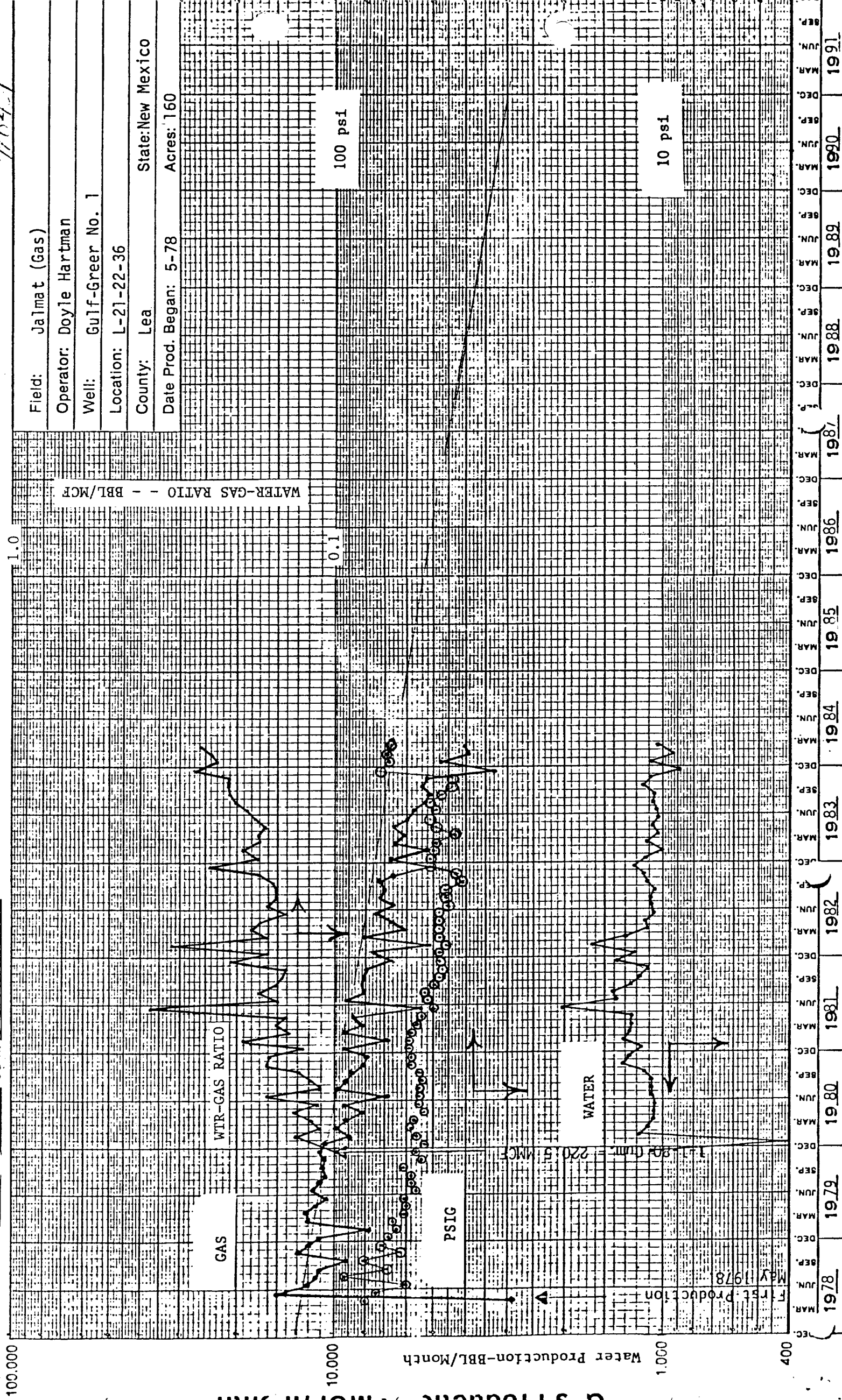
Treat with chemical weekly

Each treatment:

3 gal Cor Act 722 (Corrosion Inhibitor)
3 gal Surf Act 106 (Scale Inhibitor)

740421

Cum:



G 3 Productive - MCF/month

Water Production-BBL/Month

WTR-GAS RATIO

GAS

PSIG

WATER

First Production May 1978

1.1-80 Cum = 220.5 MCF

WATER-GAS RATIO - - - BBL/MCF

100,000

10,000

1,000

400

1.0

0.1

1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991
MAR JUN SEP DEC MAR JUN SEP DEC MAR JUN SEP DEC MAR JUN SEP DEC MAR JUN SEP DEC MAR JUN SEP DEC MAR JUN SEP DEC

RUN ON 6/12/84

RPT# 000003

LE HARTMAN, OIL OPERATOR
R-TO-DATE PRODUCTION FOR
UMES CALCULATED AT 15.025 FSIA

1984

SE# METER#

401 61963 GULF-GREER #1

MCF GAS PRODUCED	BELS OIL PRODUCED	BELS H2O PRODUCED	DAYS PROD	LP PSIG	AVG TEMP	BTU FACTOR	BTU	ITD CUME GAS	ITD CUME OIL	AVG TF	AVG CP	DAYS SHUTIN
4766		1085.00	30.9	43.25	44	.9974	1190	575936			68	
3934		933.00	29.0	41.25	49	.9967	1190	579870			69	
4044		1038.00	31.0	43.75	55	.9962	1190	583914			67	
3957		897.00	30.0	46.75	62	.9953	1194	587871			70	
4311		997.00	31.0	45.75	72	.9933	1194	592182			69	

IE

Y

BUST

MEMBER

OTHER

MEMBER

MEMBER

1984 21012

592182

4950.00 131.9

61414.00 2169.5

RUN ON 6/13/84

RFT# 000003

DOYLE HARTMAN, OIL OPERATOR
YEAR-TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

1983

EASE# METER#

80401 61963 GULF-GREER #1

MCF GAS BELLS OIL
PRODUCED PRODUCED

JANUARY 6704

FEBRUARY

MARCH

APRIL

MAY

JUNE

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

TOTAL 1983

TOTAL

67047

571170

12741.00

56464.00

354.1

2017.6

DATE ON
STREAM

5/26/78 .42740900

NRI %

LP
PSIG

AVG
TEMP

BTU
FACTOR

BTU

ITD CUME
GAS

ITD CUME
OIL

AVG
TP

AVG
CP

DAYS
SHUTIN

OPERATOR - DOYLE HARTMAN

39.75

49

.9967

1183

510827

51

41.00

52

.9964

1183

516023

50

40.75

.9953

1192

522576

49

37.50

63

.9943

1192

528695

43

38.00

68

.9932

1192

535273

48

39.50

74

.9920

1192

541208

51

40.75

81

.9901

1192

546883

49

42.50

81

.9905

1192

552174

51

35.75

75

.9911

1190

557270

47

32.25

70

.9918

1190

562673

44

36.75

57

.9953

1190

567865

44

45.50

44

.9975

1190

571170

72

1

1

RUN ON 6/13/84

RFT# 000003

1982

DOYLE HARTMAN, OIL OPERATOR
YEAR-TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

CASE# METER#

30401 61963 GULF-GREER #1

MCF GAS BBLs OIL
PRODUCED PRODUCED

7537

5148

8066

6153

6739

7449

6664

7207

7010

7217

6572

5057

80819

504125

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

YTD 1982

YTD

DAYS
PRODIN

30.5

22.6

31.0

29.5

31.5

30.4

31.5

30.8

29.7

31.0

30.0

30.9

359.4

1663.5

BBLs H2O
PRODUCED

1218.00

1640.00

1300.00

1116.00

1137.00

1067.00

1083.00

1092.00

1060.00

1115.00

1130.00

1218.00

14176.00

43723.00

LF
PSIG

AVG
TEMP

BTU
FACTOR

ITD CUME
GAS

ITD CUME
OIL

AVG
CP

DAYS
SHUTIN

OPERATOR - DOYLE HARTMAN

48

46

48

48

47

48

45

46

46

41

43

51

430843

435991

444057

450210

456949

464398

471062

478269

485279

492496

499068

504125

FILE HARTMAN, OIL OPERATOR
AR-TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

1980

ASE# METER#

0401 61963 GULF-GREER #1

MCF GAS
PRODUCED

10773

BBLS OIL
PRODUCED

BBLS H2O
PRODUCED

DAYS
PROD

30.9

JANUARY

8940

1184.00

29.0

FEBRUARY

9920

1110.00

31.0

MARCH

9055

1076.00

29.9

APRIL

8062

1076.00

26.7

MAY

9358

1058.00

29.1

JUNE

6893

1096.00

31.0

JULY

9662

1094.00

31.0

AUGUST

9139

1097.00

30.0

SEPTEMBER

8849

1130.00

29.7

OCTOBER

8127

1315.00

29.8

NOVEMBER

7934

1255.00

30.9

DECEMBER

106712

12491.00

359.0

TOTAL 1980

327213

13582.00

943.1

RPT# 0000003

DATE ON
STREAM

5/26/78

NRI %

.42740900

LP
PSIG

BTU
FACTOR

BTU

ITD CUME
GAS

ITD CUME
OIL

AUG
TP

AUG
CP

DAYS
SHUTIN

231274

240214

250134

259189

267251

276609

283502

293164

302303

311152

319279

327213

53

56

58

57

53

55

55

55

54

55

58

58

RUN ON 6/13/84

OPERATOR - DOYLE HARTMAN

RUN ON 6/13/84

RPT# 000003

1979

DOYLE HARTMAN, OIL OPERATOR
YEAR-TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

EASE# METER#

80401 61963 GULF-GREER #1

MCF GAS PRODUCED 11357
BBLs OIL PRODUCED 7919

JANUARY 11357

FEBRUARY 7919

MARCH 12097

APRIL 12158

MAY 11780

JUNE 10722

JULY 11925

AUGUST 11121

SEPTEMBER 10813

OCTOBER 10941

NOVEMBER 10824

DECEMBER 11139

YTD 1979 132796

YTD 220501

DATE ON
STREAM

5/26/78

NRI %

.42740900

LF
PSIG

AVG
TEMP

BTU
FACTOR

BTU

DAYS
PROD

BBLs H2O
PRODUCED

31.1

28.4

31.0

29.9

31.3

29.9

31.0

31.0

30.0

31.0

30.0

31.0

365.6

584.1

OPERATOR - DOYLE HARTMAN

ITD CUME
GAS

ITD CUME
OIL

AVG
TP

AVG
CP

DAYS
SHUTIN

99062

106981

119078

131236

143016

153738

165663

176784

187597

198538

209362

220501

68

64

66

61

60

61

56

58

58

61

54

56

RUN ON 6/13/84

RFT# 000003

1978

WEL: 61963, OIL OPERATOR
AR-TO-DIGIE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

DATE ON
STREAM 5/26/78 NRI % .42740900

OPERATOR - DOYLE HARTMAN

DAYS
SHUTIN

AUG
CP

AUG
TP

ITD CUME
OIL

ITD CUME
GAS

BTU
FACTOR

AUG
TEMP

LP
PSIG

DAYS
PRODN

BBL'S H2O
PRODUCED

MCF GAS
PRODUCED

BBL'S OIL
PRODUCED

JANUARY

FEBRUARY

MARCH

APRIL

MAY 2910

JUNE 15329

JULY 12207

AUGUST 11679

SEPTEMBER 11162

OCTOBER 9296

NOVEMBER 13010

DECEMBER 12112

YTD 1978 87705

ITD 87705

4.9

30.0

30.5

31.0

30.0

31.5

30.0

30.6

218.5

218.5

559

463

80

93

68

80

62

71

541

436

2910

18239

30446

42125

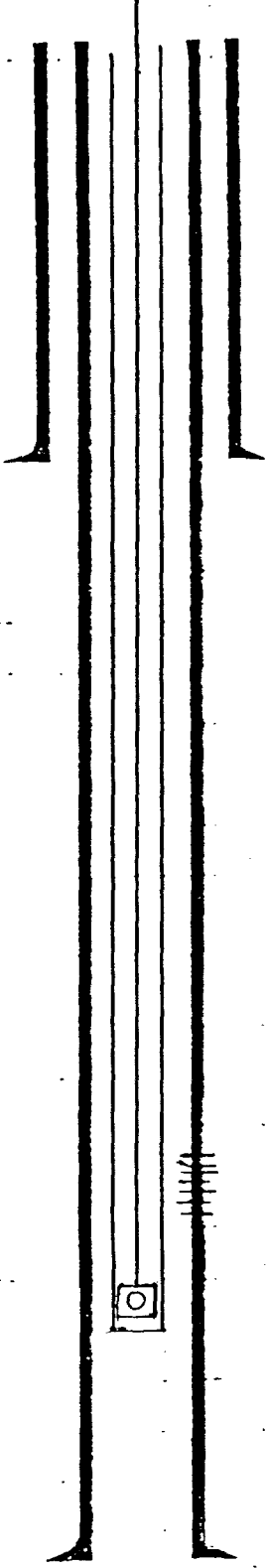
53287

62583

75593

87705

WELLBORE SKETCH
GULF GREER WELL NO. 1



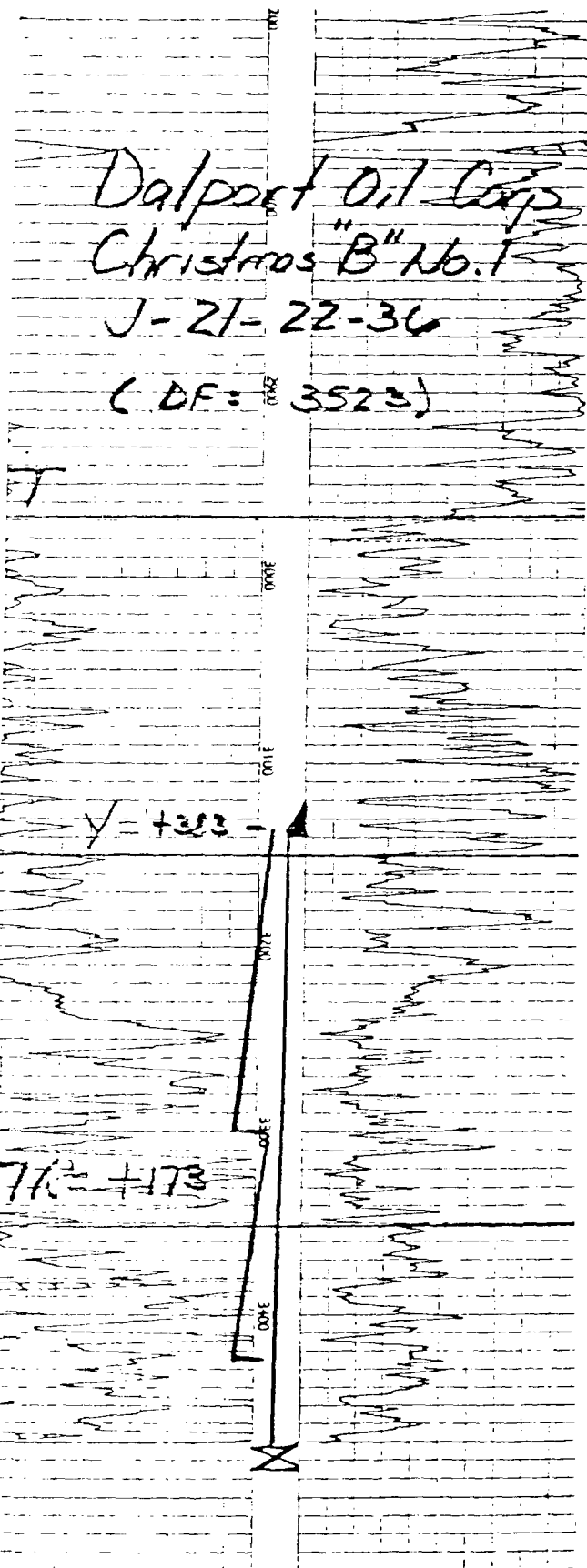
8-5/8" set at 475'
cement 325 sacks

The diagram is a vertical cross-section of a wellbore. It shows a central column of casing or tubing. On the left side, there are several vertical lines representing the well wall or casing. On the right side, there are several vertical lines representing the well wall or casing. A small square with a circle inside is located near the bottom of the central column, representing a pump or valve. The text '8-5/8" set at 475' cement 325 sacks' is positioned to the right of the central column, indicating a cement set at a specific depth.

Perforations: 1 hole each at: 3479, 3483, 3487, 3495,
3499, 3503, 3531, 3535, 3538, 3560, 3563,
3578, 3581, 3585.

2" Insert Pump
2-3/8" EUE Tubing
set at 3588'

4-1/2" set at 365'
cement 950 sacks



COMPANY	Dalport Oil Corp.		
WELL	A. L. Christmas "B" No. 1		
FIELD	Jalmat Gas		
LOCATION	1650 FSL & 1650 FEL (J) Sec. 21, T-22-S, R-36E (22-36-21-J)		
COUNTY	Lea		
STATE	New Mexico		
ELEVATIONS:	KB		
	DF	3523	
	GL		
	7-03-84		

COMPLETION RECORD			
SPUD DATE	12-01-52	COMP. DATE	12-18-52
TD	3473	PBTD	3473
CASING RECORD	9-5/8 @ 320 w/ 150 5-1/2 @ 3140 w/200		
PERFORATING RECORD	OH: 3140-3473		
STIMULATION	SF/3000 gal		
IP	IPF= 4547 MCFPD		
GOR		GR	
TP	800	CP	
CHOKE	5/8	TUBING	2-3/8 @ 3197
REMARKS	DST 3134-3300: Op 1:30. GTS 27 min @ 150 MCFPD. FP= 510. 25-min SIP= 810. DST 3300-3425: Op 1:25. GTS 3 min @ 4125 MCFPD. Rec. 140 GCM. Abnormally high SIP caused by water production.		

GAS PRODUCTION HISTORY

Date 6-25-84 Page 1 of 1

Operator: Dalport
Well: Annie L. Christmas "B" No. 1
Location: J-21-22S-36E
Pool: Jalmat (Gas)
Spud Date: Original Completion Date:
Completion Interval (Gas):
Completion Date (Gas): First Production (Gas):
Remarks:

Year	No. of Mos.	Annual Gas Production (MCF)	Avg. Gas Rate (MCF/Mo.)	Cum. Gas Production (MMCF)	Annual SIP (psia)	P/Z
1965	12	144044	12004	2965.4	N/A	N/A
1966	12	146188	12182	3111.6	421	475
1967	12	178617	14885	3290.2	415.2	450
1968	12	52065	4339	3342.3	378.2	405
1969	12	32405	2700	3374.7	370.2	395
1970	12	34693	2891	3409.4	375.2	400
1971	11	25372	2307	3434.7	377.2	400
1972	12	24751	2063	3459.5	381.2	405
1973	12	19754	1646	3479.2	377.2	400
1974	12	15148	1262	3494.4	383.2	410
1975	12	16100	1342	3510.5	395.2	425
1976	12	13803	1150	3524.3	N/A	N/A
1977	12	12797	1066	3537.1	364.2	390
1978	12	6048	504	3543.1	433.2	465
1979	10	4098	410	3547.2	449.2	485
1980	10	2925	293	3550.1	449.2	485
1981	12	1703	142	3551.9	449.2	485
1982	12	647	54	3552.5	39.2	40
1983	1	10	10	3552.5	N/A	N/A
1984	3	-0-	--	3552.5	N/A	N/A

19 84

Detail Summary

Jan. -0- July

Feb. -0- Aug.

March -0- Sept.

April Oct.

May Nov.

June Dec.

Production (Y-T-D) 0 MCF

Days or Months (Y-T-D) 3 mos.

19

Detail Summary

Jan. July

Feb. Aug.

March Sept.

April Oct.

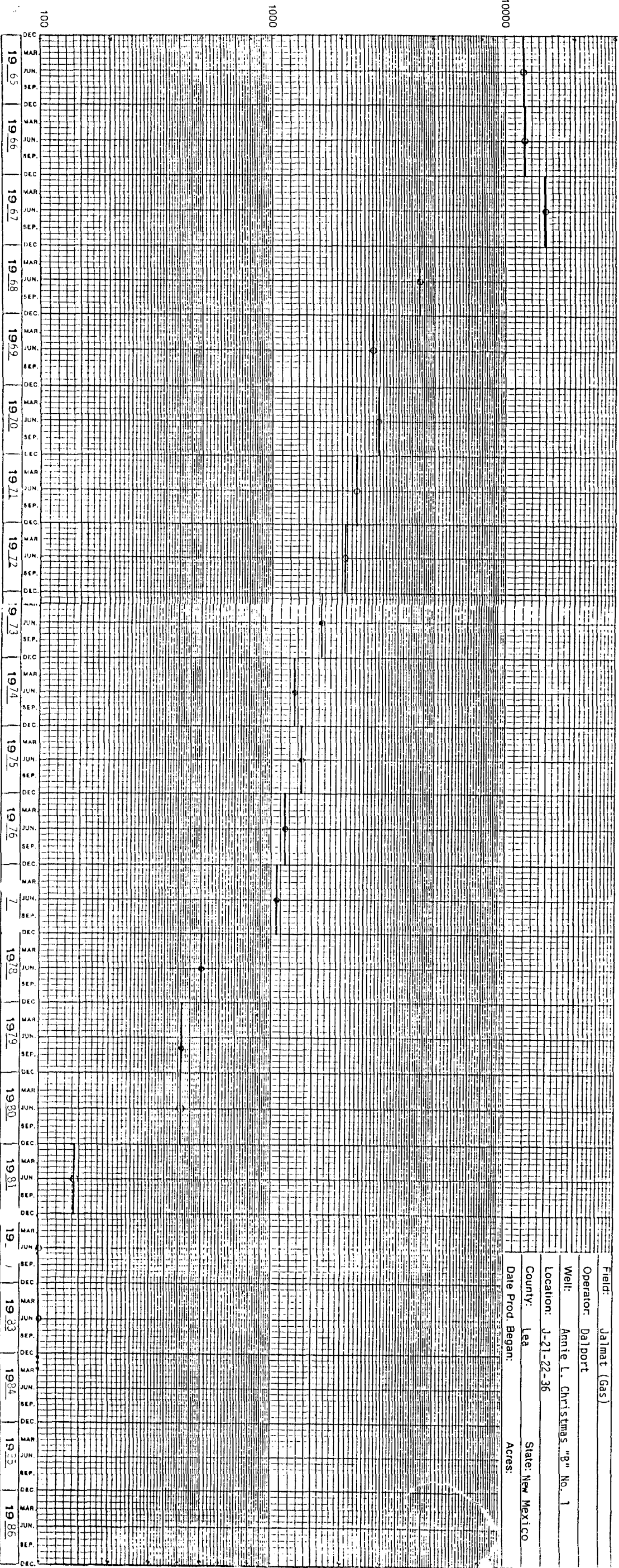
May Nov.

June Dec.

Avg. Rate (Y-T-D) 0 MCF/Mo.

0 MCFPD

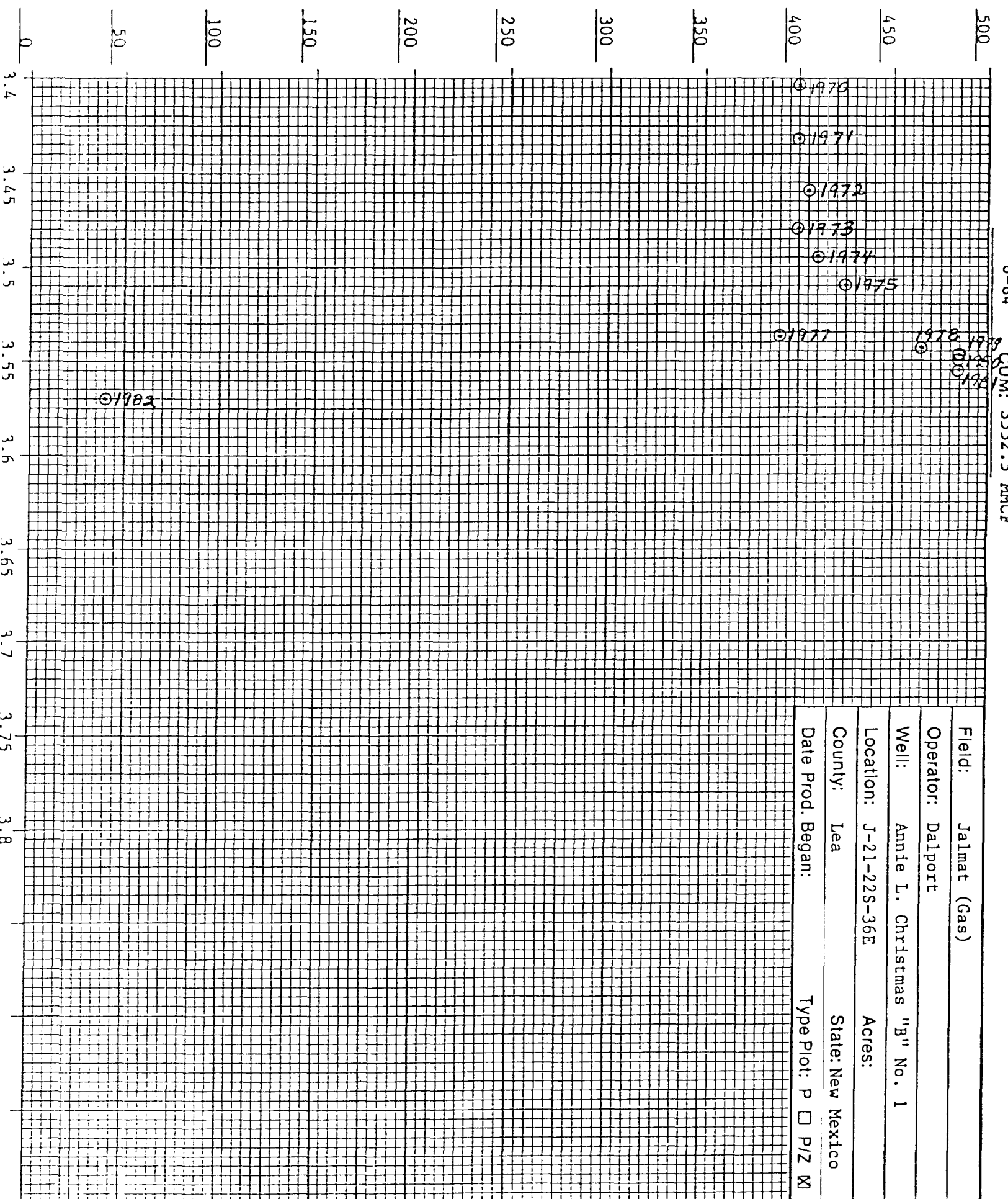
Gas Producti . MCF/month



5-84 Cum:

Cum:

Field: Jalmat (Gas)
Operator: Dalport
Well: Annie L. Christmas "B" No. 1
Location: J-21-22-36
County: Lea State: New Mexico
Date Prod. Began: Acres:

Pressure or P/Z - (ps. ¹

NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-103
(Rev 3-55)

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106)

Name of Company

Dalport Oil Corporation

Address

3471 First Natl Bank Bldg. Dallas, Texas

Name

A.L.Christmas B

Well No.

1

Unit Letter

J

Section

21

Township

22S

Range

36E

Date Work Performed

12/5/68-12/18/68

Pool

Jalmat Gas Pool

County

Lea

THIS IS A REPORT OF: (Check appropriate block)

☐ Beginning Drilling Operations☐ Casing Test and Cement Job☐ Other (Explain):☐ Plugging☒ Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

11-1-68 Ran Worth Well temperature survey and determined that water was entering above shoe joint of the casing.

12-5-to 12/18 moved in, pulled tubing, set Murphy bridging basket at 3169. Perforated W/2 shots at 3020', set EZ drill packer at 3100', squeezed 50 sacks around casing, maximum pressure 2500#s, SIP 700#s. Drilled out w/reverse circulation and cleaned out to 3417'. Could not clean out to bottom because of lost circulation. Ran tubing with R-4 packer set at 3063'. Swabbed well 4 days and put into line.

1/21/69 Treated with 500 gals. 7½% Dolo-Wash with 3 gals. AC-2 and 1 gal. Foamex - swabbed in and put on line.

Witnessed by

John Yuronka

Position

Engineer

Company

Dalport Oil Corporation

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

OF Elev.	TD	PBTD	Producing Interval	Completion Date
3533'	3473'	-	3140 - 3473	12/16/52
Tubing Diameter	Tubing Depth	Oil String Diameter	Oil String Depth	
2" EUE	3275	5½"	3140'	

Perforated Interval(s)

None

Open Hole Interval

3140 - 3473

Producing Formation(s)

Yates & 7 Rivers

RESULTS OF WORKOVER

Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover						
After Workover	1-27-69	-	120	0	-	120

OIL CONSERVATION COMMISSION

Approved by

Title

Date

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

Name

President

Position

Dalport Oil Corporation

Company

May 5, 1978

Continental Oil Co.
1001 N. Turner
Hobbs, New Mexico 88240

Re: S/2 Section 21,
22-S, 36-E

Gentlemen:

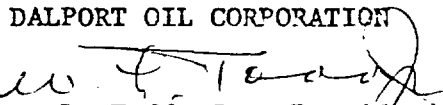
In checking with Mr. Doyle Hartman as to the outcome of his Gulf-Greer No. 1 well in the SW/4 Section 21, we find that his well and our Christmas B-1 well are producing considerable water from the Yates and Upper Seven Rivers zones.

We feel that there is a possibility of injected water escaping into these zones from your No. 18 well in the NE/SW of Section 21 or perhaps from another injection well in the close proximity. We enclose a copy of a letter dated May 2, 1978 giving Mr Hartman's views.

We would appreciate your checking into the problem and advise us at an early date of your findings.

Yours very truly,

DALPORT OIL CORPORATION


W. L. Todd, Jr., President

WLTJr/fm

Enclosure

✓ cc: Mr. Doyle Hartman

RECEIVED MAY 0 8 1978

HALLIBURTON SERVICES
MIDLAND DIVISION
LOVINGTON, NEW MEXICO 88260
LABORATORY WATER ANALYSIS

No. W88-631

To Mr. John Yuronka
Petroleum Building
Midland, Texas 79701

Date 7-30-77

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by for Daltport Oil Corr.

Date Rec. 7-30-77

Well No. Christmas B #1 Depth _____ Formation _____

County _____ Field _____ Source _____

7-28-77

Resistivity _____ 0.312 @ 74°F.

Specific Gravity _____ 1.023

pH _____ 7.7

Calcium (Ca) _____ 2,700 *MPL

Magnesium (Mg) _____ 210

Chlorides (Cl) _____ 15,000

Sulfates (SO₄) _____ 2,650

Bicarbonates (HCO₃) _____ 560

Soluble Iron (Fe) _____ N91

Remarks: _____ *Milligrams per liter

Respectfully submitted,

Analyst: Brewer
cc:

HALLIBURTON COMPANY

By W. L. Brewer
CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

WESTERN COMPANY
Service Laboratory

WATER ANALYSIS

Operator	Dalport Oil Corp.	Date Sampled	12-16-68 (9:00 AM)
Well	Christman B #1	Date Received	12-16-68
Field	Jalnat Gas	Submitted by	Hobbs District
Formation	Yates	Worked by	Jones
Depth		Other Description	Swab Sample
County	Lea, New Mexico		

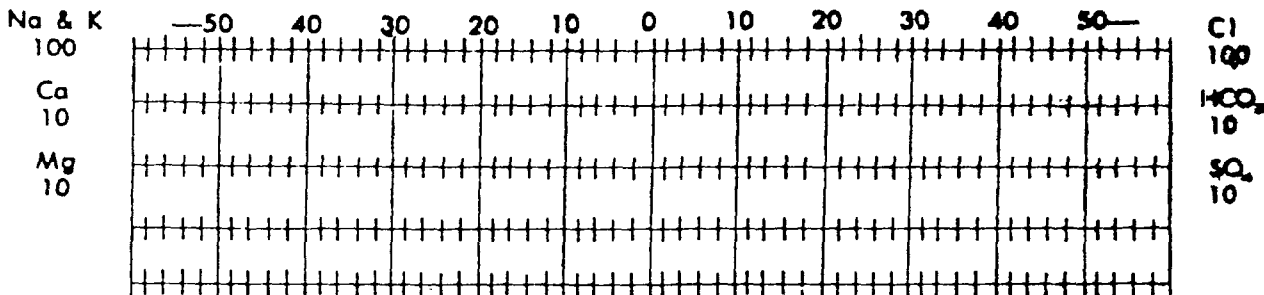
CHEMICAL DETERMINATIONS

Density	1.120 @ 76 F	pH	7.3
Iron	Faint Trace	Hydrogen Sulfide	None
Sodium and Potassium	68,300 ppm	Bicarbonate	598 ppm
Calcium	1,640 ppm	Sulfate	7,400 ppm
Magnesium	1,600 ppm	Phosphate	ppm
Chloride	107,000 ppm	as Sodium Chloride	ppm

Remarks:

Sample as received contained iron compounds (mainly iron sulfide) in suspension.

for Stiff type plot (in meq./l.)



Per _____

WESTERN COMPANY
Service Laboratory

WATER ANALYSIS

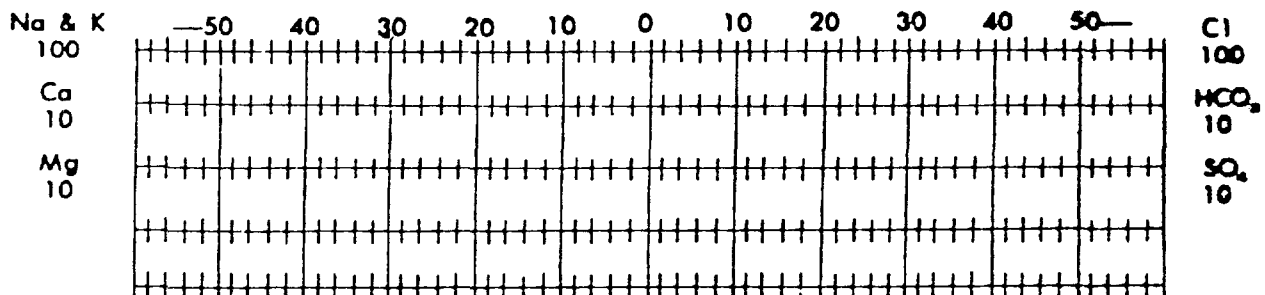
Operator	Dalport Oil Corporation	Date Sampled	8/16/68
Well	Christmas B #1	Date Received	8/19/68
Field	Jalmat Gas	Submitted by	Hobbs District
Formation	Yates	Worked by	Capps
Depth		Other Description	
County	Lea, New Mexico		

CHEMICAL DETERMINATIONS

Density	1.035 @ 76 ° F	pH	8.0
Iron	Very Faint Trace	Hydrogen Sulfide	None
Sodium and Potassium	12,730 ppm	Bicarbonate	732 ppm
Calcium	1,400 ppm	Sulfate	2,720 ppm
Magnesium	1,215 ppm	Phosphate	ppm
Chloride	23,200 ppm	as Sodium Chloride	ppm

Remarks:

for Stiff type plot (in meq./l.)



Per _____

WESTERN COMPANY
Service Laboratory

WATER ANALYSIS

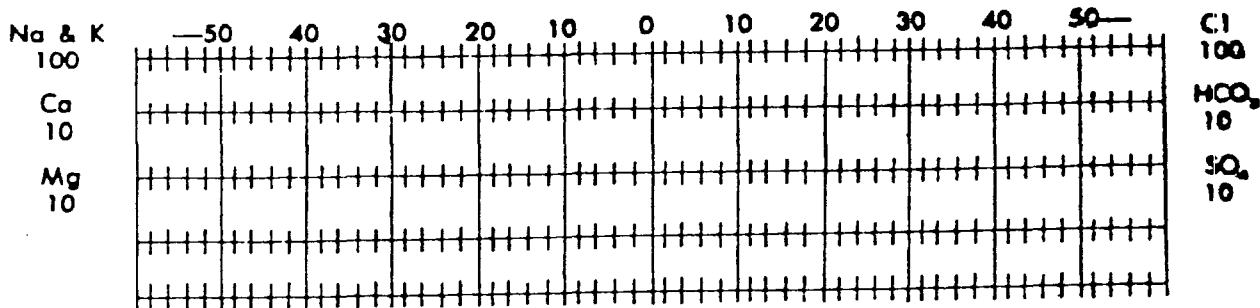
Operator	Dalport Oil Corporation	Date Sampled	8/15/68
Well	Christmas B #1	Date Received	8/19/68
Field	Jalmat Cas	Submitted by	Hobbs District
Formation	Yates	Worked by	Capps
Depth		Other Description	
County	Lea, New Mexico		

CHEMICAL DETERMINATIONS

Density	1.035 @ 77° F	pH	7.6
Iron	Very Faint Trace	Hydrogen Sulfide	None
Sodium and Potassium	10,420 ppm	Bicarbonate	696 ppm
Calcium	1,320 ppm	Sulfate	2,840 ppm
Magnesium	1,263 ppm	Phosphate	ppm
Chloride	19,600 ppm	as Sodium Chloride	ppm

Remarks:

for Stiff type plot (in meq./l.)



Per _____

THE WESTERN COMPANY
Service Laboratory

WATER ANALYSIS

Operator	Dalport Oil Corporation	Date Sampled	8/14/68
Well	Christmas B #1	Date Received	8/19/68
Field	Jalmat Gas	Submitted by	Hobbs District
Formation	Yates	Worked by	Capps
Depth		Other Description	
County	Lea, New Mexico		

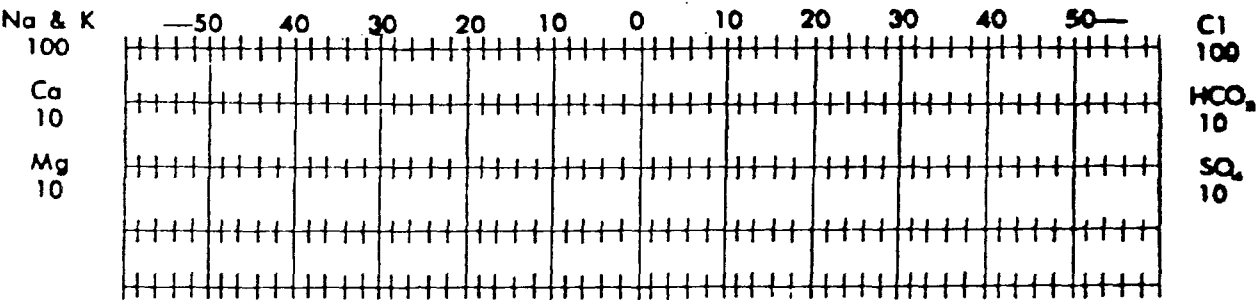
CHEMICAL DETERMINATIONS

Density	1.035 @ 78° F	pH	7.5
Iron	No Trace	Hydrogen Sulfide	None
Sodium and Potassium	11,720 ppm	Bicarbonate	671 ppm
Calcium	1,280 ppm	Sulfate	2,400 ppm
Magnesium	1,458 ppm	Phosphate	ppm
Chloride	22,400 ppm	as Sodium Chloride	ppm

Remarks:

This water is either a mixture of Yates and Queen formation waters, or it could be mainly 7 Rivers formation water. Our card file would indicate it to be the latter.

for Stiff type plot (in meq./l.)



Per _____

vm-----293 MISC 596-----
CONTINENTAL OIL COMPANY) INSTR: UNIT AGREEMENT
TO) DATED: JUNE 15, 1970
) FILED: DECEMBER 1, 1970 @ 1:00 p.m.
) RCDED: BOOK 293 PAGE 596, MISC RECORDS
EX PARTE) LEA COUNTY, NEW MEXICO

293 MISC 596
375
45921

UNIT AGREEMENT
SOUTH EUNICE UNIT
LEA COUNTY, NEW MEXICO

THIS INSTRUMENT HAS BEEN BRIEFED.
COMPLIE C. L. WILL BE FURNISHED
UPON REQUEST.

UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE SOUTH EUNICE UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 15th day of June, 1970, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as "parties hereto".

WITNESSETH: That,

WHEREAS, the parties hereto are the owners of working, royalty, or other oil or gas interests in the Unit Area subject to this Agreement; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by law (Chap. 72, Laws of 1935, as amended by Chap. 193, Laws of 1937, Chap. 166, Laws of 1941, and Chap. 168, Laws of 1949, Chap. 65, Art. 3, Sec. 14, N.M.S., 1953 anno) to approve this Agreement, and the conservation provisions hereof, and

WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sections 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field or like area, or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the parties hereto hold sufficient interests in the South Eunice Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to enable institution and consummation of secondary recovery operations, conserve natural resources, prevent waste and secure the other benefits obtainable through development and operation of the area subject to this Agreement under the terms, conditions, and limitations herein set forth;

WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sections 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field or like area, or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the parties hereto hold sufficient interests in the South Eunice Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to enable institution and consummation of secondary recovery operations, conserve natural resources, prevent waste and secure the other benefits obtainable through development and operation of the area subject to this Agreement under the terms, conditions, and limitations herein set forth;

5000 200 100 100

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this Agreement their respective interests in the Unitized Formation of the below-defined Unit Area, and agree severally among themselves as follows:

SECTION 1. ENABLING ACT AND REGULATIONS. The Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder and valid pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this Agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this Agreement; and, as to Non-Federal lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the Non-Federal land is located, are hereby accepted and made a part of this Agreement.

SECTION 2. UNIT AREA AND DEFINITIONS. The area described in Exhibit B and depicted on Exhibit A attached hereto is hereby designated and recognized as constituting the Unit Area, containing 2720.00 acres, more or less, in Lea County, New Mexico. Said land is described as follows:

T-22S R-36E

Section 20:	E/2 E/2	160.00 acres
Section 21:	All	640.00
Section 22:	S/2, S/2 N/2, NW/4 NW/4, NW/4 NE/4	560.00
Section 28:	All	640.00
Section 29:	E/2 NE/4, NE/4 SE/4	120.00
Section 33:	N/2, SE/4, N/2 SW/4, SE/4 SW/4	600.00 2720.00 acres

For the purpose of this agreement, the following terms and expressions as used herein shall mean:

(a) "Commission" is defined as the Oil Conservation Commission of the State of New Mexico.

(b) "Director" is defined as the Director of the United States Geological Survey.

(c) "Secretary" is defined as the Secretary of the Interior of the United States of America, or his duly authorized delegate.

(d) "Department" is defined as the Department of the Interior of the United States of America.

(e) "Supervisor" is defined as the Oil and Gas Supervisor of the United States Geological Survey.

(f) "Unitized Formation" is defined as the interval between the base of the Queen formation to a point 232 feet above the top of the Queen formation; provided, that in no event shall the Unitized formation extend below a depth of 4000 feet from the surface of the ground. The top and the base of the Queen formation are shown at the depths of 3821' and 4023' respectively, on the Gamma-Ray-Sonic log run in the Continental Oil Company West Arrowhead Deep Unit Well No. 1, located 1980 feet from the North line and 1980 feet from the West line of Section 17, Township 22 South, Range 36 East, N. M. P. M.

(g) "Unitized Substances" is defined as and shall mean all oil, gas, gaseous substances, sulphur contained in gas, condensate, and all associated and constituent liquid or liquefiable hydrocarbons produced from the Unitized Formation of the Unitized Land. However, it shall not include the dry gas and associated hydrocarbons produced from gas wells within the Unit Area which are completed in and produce from the vertical limits of the Jalmat gas pool, as defined by Commission Order No. R-1670.

(h) "Tract" is defined as each parcel of land described as such and given a Tract number in Exhibit B.

(i) "Tract Participation" is defined as that percentage of Unitized Substances produced from the Unitized Formation which is allocated to a Tract under this Agreement.

(j) "Unit Participation," of each Working Interest Owner, is defined as the sum of the percentages obtained by multiplying such Working Interest Owner's fractional Working Interest in each tract by the Tract Participation of such Tract.

(k) "Working Interest" is defined as the right to search for, produce and acquire Unitized Substances whether held as an incident of ownership of mineral fee simple title, under an oil and gas lease, or otherwise held.

South Union Unit
 App. x to Exhibit "B"
 Page 5

Note No. 8 (Continued)

	Apparent Mineral Interest	Revenue Interest
E. B. McKean	3.1250	0.39062
Mrs. Clyde W. Miller	1.0417	0.13021
Elizabeth H. Penn, Tr U/W of Robert Lee Penn	6.1112	0.76391
Nancy E. Penson	18.3378	2.29222
Estate of George Pfouts	0.0090	0.00112
Royalty Roundup, Inc.	0.0180	0.00225
Harry Smith	0.0015	0.00018
Georgia Ann Stieren, ind. exe U/W of Jack Stieren	0.2603	0.03254
H. R. Stroube	5.0000	0.62500
W. C. Stroube	5.0000	0.62500
E. L. Vance	0.0050	0.00063
Mrs. Nora Walker	0.0090	0.00112
Myrtis Dean Watkins	1.0417	0.13021
R. L. Wheelock, Jr., & Betty W. Kennaugh, co-exe. of the estate of Maude C. Wheelock	5.0000	0.62500
Elizabeth Woolworth	4.1666	0.52084
May Woolworth	5.2082	0.65103
	<u>100.0000</u>	<u>12.50000</u>

NOTE NO. 9 - Tract No. 9, Basic Royalty and Percentage

Jacques Peter Adoue, Thomas J. Reilly, W. W. Bland, and the National Bank of Commerce of Houston, Tr. U/W of F. D. Jones	0.2500	0.0312
Charles F. Bedford	0.5000	0.0625
Edwin M. Bedford	0.5000	0.0625
Henry DeGraffenreid Bedford	0.5000	0.0625
Rachel Bedford Bowen	0.5000	0.0625
Hugh Corrigan III	1.5625	0.1953
J. Patrick Corrigan	1.5625	0.1953
Fannie B. Dore	1.2500	0.1563
Felmont Oil Corporation	1.1228	0.1404
First Wisconsin Trust Co., exe/est. Lillian Blanchard Jones	0.2500	0.0313
Fluor Corporation	6.2500	0.7812
Julian W. Glass, Jr., Tr. U/W J. Wood Glass	0.1466	0.0183
Etta Greer	3.1250	0.3906
Clarence E. Hinkle	1.5625	0.1953
J. M. Richardson Lyeth, Jr., and Munro Longyear Lyeth, First National Bank of Denver Trustees	11.2500	1.4062
The Pennsylvania Bank and Trust Co., Tr/Est. Albert Walter Goal, deceased	0.1466	0.0183
Petroleum Corporation of Texas	6.6666	0.8333
Phillips Investment Corporation	0.1466	0.0183
W. A. Pruett	0.6250	0.0781
Onez Norman Rooney	11.2500	1.4063
Agnes C. Smith	6.2500	0.7813
June D. Speight	6.2500	0.7813
Southern Minerals Corporation	13.3333	1.6667
Southern Petroleum Exploration, Inc.	15.6250	1.9531
Sparks Healy Company	5.0000	0.6250
The Superior Oil Company	3.8750	0.4844
Ellen Anne W. Williams	0.5000	0.0625
	<u>100.0000</u>	<u>12.5000</u>

10-15-70

SOUTH EURICE UNIT
EXHIBIT "B" TO UNIT AGREEMENT

Tract No.	Description of Land (All in T-22S, R-36E)	No. of Acres	Serial Number and Exp. Date	Basic Royalty & Percentage	Record Lessee and Percentage	Overriding Royalty and Percentage	Working Interest Owner and Percentage
1	Sec. 29: E/2 NE/4, NE/4 SE/4	120.00	LC 030133(a)	USA 100% Schedule C	Continental Oil Co. 25% Atlantic Richfield Co. 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%	(See Appendix, Note No. 1)	Continental Oil Co. 25% Atlantic Richfield 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%
2	Sec. 22: S/2 Sec. 28: NE/4 Sec. 33: SE/4, E/2 SW/4, NW/4 SW/4	760.00	LC 030133(b)	USA 100%	Continental Oil Co. 25% Atlantic Richfield Co. 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%	None	Continental Oil Co. 25% Atlantic Richfield 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%
2(a)	Sec. 28: NW/4	160.00	LC 030133(b)	USA 10% Schedule D	Continental Oil Co. 25% Atlantic Richfield Co. 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%	None	Continental Oil Co. 25% Atlantic Richfield 25% Chevron Oil Co. 25% Pan American Pet. Corp. 25%
THREE FEDERAL TRACTS CONTAINING 1040.00 ACRES, OR 38.24% OF THE UNIT AREA							
3	Sec. 20: E/2 NE/4	80.00	HBP	(See Appendix, Note No. 2)	Sun Oil Co. - DX Div.	None	Sun Oil Co. - DX Div.
4	Sec. 21: NW/4	160.00	HBP	(See Appendix, Note No. 3)	Sun Oil Co. - DX Div.	None	Sun Oil Co. - DX Div.
5	Sec. 21: NE/4	160.00	HBP	(See Appendix, Note No. 4)	Wesley McCallister	None	Shell Oil Co. 50% Gulf Oil Corp. 50%
6	Sec. 21: NE/4 SE/4	40.00	HBP	(See Appendix, Note No. 5)	Skelly Oil Company	None	Skelly Oil Co.
6(a)	Sec. 21: SE/4 SE/4	40.00	HBP	(See Appendix, Note No. 6)	Skelly Oil Company	None	Skelly Oil Co.

South Eunice Unit
 Exhibit "B" to Unit Agreement
 Page 2

Tract No.	Description of Land (All in T-22S, R-35E)	No. of Acres	Serial Number and Exo. Date	Basic Royalty & Percentage	Record Lessee	Overriding Royalty and Percentage	Working Interest Owner and Percentage
7	Sec. 21: NW/4 SE/4	40.00	HBP	See Appendix Note No. 7	J. H. Hendrix M. L. Klein	Shell Companies Foundation, Inc. 1.822922%	Continental Oil Co.
8	Sec. 21: SW/4 SE/4	40.00	HBP	See Appendix Note No. 8	J. H. Hendrix M. L. Klein	Shell Companies Foundation, Inc. 6.25%	Continental Oil Co.
9	Sec. 21: SW/4	160.00	HBP	See Appendix Note No. 9	Gulf Oil Corp.	None	Gulf Oil Corp.
10	Sec. 22: S/2 NW/4, NW/4 NW/4	120.00	HBP	See Appendix Note No. 10	Sun Oil Company	None	Sun Oil Company
10(a)	Sec. 22: SW/4 NE/4	40.00	HBP	See Appendix Note No. 11	Sun Oil Company	None	Sun Oil Company
10(b)	Sec. 22: NW/4 NE/4	40.00	HBP	See Appendix Note No. 12	Sun Oil Company	None	Sun Oil Company
10(c)	Sec. 22: SE/4 NE/4	40.00	HBP	See Appendix Note No. 13	Sun Oil Company	None	Sun Oil Company
11	Sec. 28: S/2	320.00	HBP	See Appendix Note No. 14	Texas Pacific Oil Company, Inc.	Emma L. Coleman & Levi Cole, Anc. Ex. Est. O. L. Coleman, deceased 0.04883% Mary Vern Ransom 0.04883%	G. F. Bauerdorf Est. 24.316% Gordon M. Cone 2.734% E. A. Culbertson 6.079% W. W. Irwin 6.079% Reserve Oil & Gas 12.159% Texas Pacific Oil 48.633%

AA Until balance of Production Payment in the original sum of \$687.50 is paid, after which this interest reverts to Texas Pacific.

1A This rate applies when daily average production per well is less than 35 barrels. When daily average production per well is over 35 barrels the royalty rate is double that shown.

10-15-70

EXHIBIT "C" TO UNIT AGREEMENT
SOUTH EUNICE UNIT
LEA COUNTY, NEW MEXICO

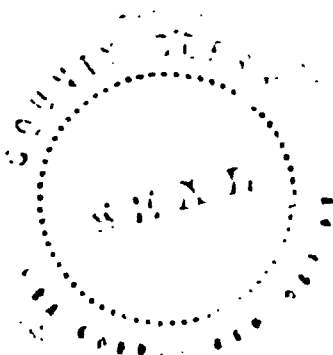
Tract No.	Description	Phase I Participation	Phase II Participation
1	Sec. 29: E/2 NE/4, NE/4 SE/4	6.24388	3.43588
2	Sec. 22: S/2 Sec. 28: NE/4 Sec. 33: SE/4, E/2 SW/4, NW/4 SW/4	21.89638	26.70781
2(a)	Sec. 28: NW/4	3.69285	4.72238
3	Sec. 20: E/2 NE/4	1.84119	3.67033
4	Sec. 21: NW/4	2.40259	12.63001
5	Sec. 21: NE/4	1.77839	6.48196
6	Sec. 21: NE/4 SE/4	1.00671	1.58512
6(a)	Sec. 21: SE/4 SE/4	0.62515	1.35154
7	Sec. 21: NW/4 SE/4	0.49384	1.10147
8	Sec. 21: SW/4 SE/4	4.53494	2.39248
9	Sec. 21: SW/4	7.25439	5.94656
10	Sec. 22: S/2 NW/4, NW/4 NW/4	7.23821	5.46449
10(a)	Sec. 22: SW/4 NE/4	2.10381	1.51564
10(b)	Sec. 22: NW/4 NE/4	1.83548	1.42864
10(c)	Sec. 22: SE/4 NE/4	7.51701	1.84416
11	Sec. 28: S/2	6.39231	7.85107
12	Sec. 33: NW/4	7.97659	4.95584
13	Sec. 33: NE/4	13.94358	6.03375
14	Sec. 20: E/2 SE/4	1.22270	0.88087

Abstracter's Note: Omitting other land descriptions immaterial to this abstract. Complete copy will be furnished upon request-Abstracter.

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

DEC 1 1970

by 1200 of 1200
and 1200 of 1200
Page 596 P-273
LEA COUNTY, NEW MEXICO
County Clerk
Deputy



FERN CONE	}	INSTR:	RATIFICATION OF UNIT AGREEMENT
TO		DATED:	JUNE 23, 1970
		FILED:	DECEMBER 1, 1970 @ 1:00 p.m.
CONTINENTAL OIL COMPANY	}	RCDED:	BOOK 293 PAGE 639, MISC RECORDS LEA COUNTY, NEW MEXICO

45922 Misc BCCY 293 PAGE 639

RATIFICATION OF UNIT AGREEMENT
SOUTH EUNICE UNIT
LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) is a Royalty Owner, as that term is defined therein, in one or more of the Tracts comprising the Unit Area, as that term is defined therein, under the certain Unit Agreement for the development and operation of the South Eunice Unit, Lea County, New Mexico, dated the 15th day of June, 1970; wherein and whereunder 2720 acres, more or less, of land in Sections 20, 21, 22, 28, 29, and 33, T-22-S, R-36-E, Lea County, New Mexico, were unitized as to the Seven Rivers and Queen formations, as those formations were more fully defined in said Agreement; and the undersigned acknowledges receipt of a true copy of said Unit Agreement and ratifies and adopts the same and commits all of its interest in the unit area insofar as the Unitized Formation, defined therein, is concerned under said Unit agreement as fully for every purpose as if the undersigned had executed the original Agreement or counterpart thereof.

WITNESS the execution hereof this 23rd day of June, 1970.

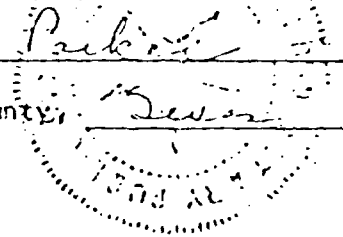
Date: _____ Fern Cone _____

Date: _____

STATE OF Texas)
COUNTY OF Lubbock) (INDIVIDUAL)

The foregoing Instrument was acknowledged before me this 23rd day of June, 1970, by Fern Cone, a Person Sole.
My Commission Expires: June 1, 1971

Notary Public
Lubbock County, Texas



-----294 MISC 442-----
UNITED STATES OF AMERICA
TO
CONTINENTAL OIL COMPANY
INSTR: CERTIFICATION-DETERMINATION
DATED: DECEMBER 31, 1970
FILED: JANUARY 8, 1971 @ 2:25 p.m.
RCDED: BOOK 294 PAGE 442, MISC RECORDS
LEA COUNTY, NEW MEXICO

226

CERTIFICATION--DETERMINATION

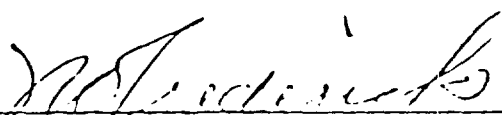
Pursuant to the authority vested in the Secretary of Interior, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. secs. 181, et seq., and delegated to the Oil and Gas Supervisors of the Geological Survey (33 F.R. 5812), I do hereby:

A. Approve the attached agreement for the development and operation of the South Eunice Unit Area, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated December 31, 1970



Oil and Gas Supervisor, United States
Geological Survey

Contract Number 14-08-0001-11586

vm-----294 MISC 443-----

CONTINENTAL OIL COMPANY

TO

EX PARTE

INSTR: CERTIFICATE OF EFFECTIVENESS

DATED: JANUARY 4, 1971

FILED: JANUARY 8, 1971 @ 2:25 p.m.

RCDED: BOOK 294 PAGE 443, MISC RECORDS
LEA COUNTY, NEW MEXICO

Misc BOOK 294 PAGE 44

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CERTIFICATE OF EFFECTIVENESS
SOUTH EUNICE UNIT
LEA COUNTY, NEW MEXICO

Reference is hereby made to that certain Unit Agreement for the Development and Operation of the South Eunice Unit, Lea County, New Mexico, recorded in Book 292, page 596 of the Miscellaneous Records of Lea County, New Mexico.

In accordance with Paragraph 24(d) of said Unit Agreement, Continental Oil Company, Unit Operator, hereby certifies that said Unit Agreement became effective according to its terms as of 7:00 A.M. January 1, 1971.

EXECUTED this 4th day of January, 1971.

CONTINENTAL OIL COMPANY,
Operator of the South Eunice Unit

By

R. E. ...
Attorney in Fact

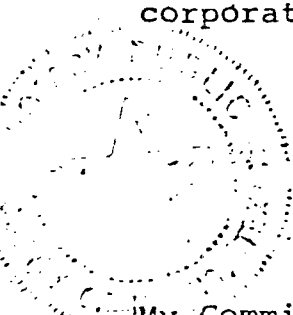
[Handwritten signature]
7/1/71

THE STATE OF TEXAS

COUNTY OF HARRIS

X
X
X

The foregoing instrument was acknowledged before
me this 4th day of January, 1971, by V. C. Eissler,
Attorney in Fact for CONTINENTAL OIL COMPANY, a Delaware
corporation, on behalf of said corporation.


Patricia Hornsby
Notary Public, Harris County,
Texas

PATRICIA HORNSBY

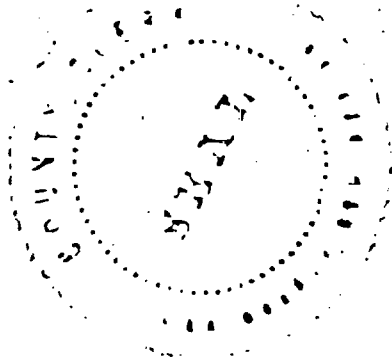
My Commission expires:

June 1, 1971

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

JAN 8 1971

in 2:25 o'clock PM
and Recorded in Book 694
Page 443
JANE RICE, Clerk
By ph Deputy



STATEMENT OF CERTIFICATION
HARDSHIP GAS WELL CLASSIFICATION

Doyle Hartman-
Gulf-Greer No. 1
1980 FSL and 990 FWL (L)
Section 21, T-22-S, R-36-E
Lea County, New Mexico
Jalmat (Gas) Pool

DOYLE HARTMAN, OPERATOR, as required by the State of New Mexico Energy and Minerals Department, Oil Conservation Division, certifies that:

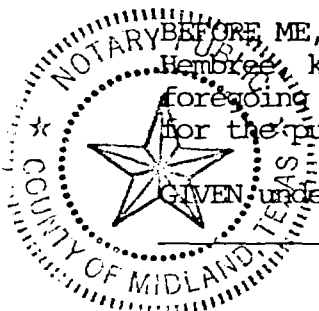
1. All information submitted with this application is true and correct to the best of his knowledge;
2. One copy of this application has been submitted to the Hobbs District I Office of the Oil Conservation Division;
3. Notice of this application has been given to El Paso Natural Gas Company, the transporter and Northern Natural Gas Company, the purchaser; and
4. Notice of this application has been given to all offset Jalmat (Gas) operators.

Michelle Hembree
Michelle Hembree
Administrative Assistant

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, Notary Public, on this day personally appeared Michelle Hembree, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 17th day of MAY, 1984.



Cindy Sue Harrison
Notary Public

My Commission Expires:
CINDY SUE HARRISON
My Commission Expires Aug. 11, 1987