

PENROC OIL CORPORATION
Angell Ranch No. 1
Eddy County, New Mexico
Energy and Minerals Department
Oil Conservation Division
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Then the well was shut-in by El Paso 9 days in August, all of September, and 24 days in October, 1982. The well was dead and had to be swabbed two days to produce.

Production from November 1982 through May, 1983 averaged only 422 MCFGPD. Then in June, 1983 the Angell Ranch loaded and ceased to produce. This time it was swabbed for four days before "Kicking-off".

That period of June, 1983 through March, 1984 shows a daily average gas production of 357 MCF.

Even though soap sticks have been used to help facilitate flow since late 1979 and this action continues on a twice a week basis, it is readily apparent that each time the well goes down a lower plateau of daily gas volumes are experienced. If shut-downs are allowed even for short durations it will necessitate costly swabbing expense on top of already high operations costs. However, even more important, the observed lower plateaus of production will occur more severely and the decline curve will plunge downward more rapidly. This simply means that "underground waste" will be a reflection of reserves that can never be recovered.

It is difficult to keep this well producing at its current rate so it is actually at or near its minimum sustainable producing rate which is approximately 350 MCFPD.

From May, 1980 to present date the amount of water to be moved has increased from .38 barrel/MCF to 1.18 barrel/MCF.

Attachment II is a Well Bore Sketch of the Angell Ranch well showing casing sizes and setting depths, cement amounts and position of cement as well as tubing, packer, perforations, etc. This illustrates a typical completed well situation for the area. No mechanical attempts have been made to alleviate water other than compressor installation.

The Winchester Morrow Gas Pool is non-prorated.

Attachment III is a plat of the area which shows the proration unit attributed to the Angell Ranch well being outlined in orange color and the well itself circled in orange. Lease ownership and other wells also are indicated.

It is requested that the Angell Ranch well be placed in the "Hardship" classification with a minimum sustainable flow rate of 350 MCF

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