

THE PETROLEUM CORPORATION
OF DELAWARE
3303 Lee Parkway
DALLAS, TEXAS 75219

March 1, 1982

MAR - 5 1982

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

O. C. S.
ARTESIA, N.M.

Re: NGPA WELL CATEGORY DETERMINATION;
Parkway West Unit Well No. 3,
Eddy County, New Mexico.
(Lease No. K-4330-1)

Gentlemen:

The Petroleum Corporation of Delaware, as designated Operator, hereby submits application for category determination of the referenced Well as required by the Natural Gas Policy Act of 1978, two (2) complete copies of which have been prepared and are enclosed herewith pursuant to Order R-5878, as amended, issued by the Oil Conservation Division of the Energy and Minerals Department, State of New Mexico.

By copy of this letter, a copy of completed NMOCD Form C-132 or NMOCD Form C-132-A, as applicable and without attachments, is transmitted to the Oil Conservation Division District Office in which the referenced Well is located.

One (1) extra copy of this letter of transmittal is enclosed. For our records, please return said extra copy with your date-stamp of receipt affixed thereon in the enclosed self-addressed stamped envelope.

Respectfully submitted,

THE PETROLEUM CORPORATION
OF DELAWARE

By Larry C. Shannon *gsm*
Larry C. Shannon
Senior Vice President

ENCLOSURES (2)

cc: Oil Conservation Division District II w/copy of NMOCD Form C-132
Post Office Drawer DD
Artesia, New Mexico 88210

APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

1. FOR DIVISION USE ONLY:

DATE COMPLETE APPLICATION FILED _____

DATE DETERMINATION MADE _____

WAS APPLICATION CONTESTED? YES _____ NO _____

NAME(S) OF INTERVENOR(S), IF ANY: _____

RECEIVED

MAR - 8 1982

C. C.
ADJUTANT

5A. Indicate Type of Lease
STATE ☒ FEE ☐

5. State Oil & Gas Lease No.
K-4330-1

7. Unit Agreement Name
PARKWAY WEST UNIT

8. Farm or Lease Name
PARKWAY WEST

9. Well No.
3

10. Field and Pool, or Wildcat
UNDESIGNATED PARKWAY
WEST (MORROW)

12. County
EDDY

2. Name of Operator
THE PETROLEUM CORPORATION OF DELAWARE

3. Address of Operator
3303 LEE PARKWAY, DALLAS, TEXAS 75219

4. Location of Well
UNIT LETTER K LOCATED 1980 FEET FROM THE WEST LINE
AND 1980 FEET FROM THE SOUTH LINE OF SEC. 29 TWP. 19S NCC. 29E WPM

11. Name and Address of Purchaser(s)
EL PASO NATURAL GAS COMPANY, P.O. BOX 1492, EL PASO, TEXAS 79978

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NGPA Section No.) 103
2. All Applications must contain:
- ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
- ☐ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT (TO BE FURNISHED AS SOON AS AVAILABLE)
- ☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
- ☒ d. AFFIDAVITS OF MAILING OR DELIVERY
3. In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules for Applications For Wellhead Price Ceiling Category Determinations" as follows:
- A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
- ☐ All items required by Rule 14(1) and/or Rule 14(2)
- B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
- ☐ All items required by Rule 15
- C. NEW ONSHORE PRODUCTION WELL
- ☒ All items required by Rule 16A or Rule 16B
- D. DEEP, HIGH-COST NATURAL GAS, TIGHT FORMATION NATURAL GAS, AND PRODUCTION ENHANCEMENT NATURAL GAS
- ☐ All items required by Rule 17(1), Rule 17(2) or Rule 17(3), or Rule 17(4)
- E. STRIPPER WELL NATURAL GAS
- ☐ All items required by Rule 18

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY
KNOWLEDGE AND BELIEF.

LARRY C. SHANNON

NAME OF APPLICANT (Type or Print)

SIGNATURE OF APPLICANT

Title SENIOR VICE PRESIDENT

Date MARCH 1, 1982

FOR DIVISION USE ONLY

- ☐ Approved
- ☐ Disapproved

The information contained herein includes all
of the information required to be filed by the
applicant under Subpart B of Part 274 of the
FERC regulations.

EXAMINER

30-015-23107

Ogaid- 169355

Property- 23438

Foot- 82600

Oxford[®]

⊗ ESSELTE

MADE IN U.S.A.

NO. R753 1/3

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2806791-0
2543930-E
2543930-W

9-3-82

CNT/FDC

Surf - 11422

DLL/MSFL

Gas - 11423

5-1286
In Case 7568, Petroleum Corporation of Delaware requested approval for the dual completion of its No. 6 Superior Federal well, located in Unit N, Sec. 6, T-20-S, R-29-E, East Burton Flat Field, Eddy County, to produce oil from the Strawn formation through tubing and gas from the Morrow formation through the casing-tubing annulus by means of a cross-over assembly.

In Case 7569, Petroleum Corporation of Delaware sought approval for the downhole commingling of Atoka and Morrow production in the wellbores of its No. 3 Parkway West Unit well, located in Unit K, Sec. 29, and the No. 10 well, located in Unit G, Sec. 27, both in T-19-S, R-29-E, Eddy County.

Appearances: Conrad Coffield, attorney, and Hal Dean, consulting geologist, both from Midland, Texas; Larry Shannon, senior vice president, Petroleum Corporation of Delaware, Dallas. The examiner was Richard L. Stamets.

Testimony: Coffield asked that the application in Case 7568 be amended to show gas from the Strawn instead of oil, and that the Strawn gas be produced through the casing-tubing annulus and gas from the Morrow formation be produced through tubing. The examiner noted that this would be a radical departure from the application, but he would make a decision after testimony. The Parkway well, a southwest offset to a Morrow producer, is perforated at 10,742-44 and 10,750-60 feet, Dean said, and at 11,087-466 feet. These are the sought after commingling zones. These perforations, among others, do not line up with New Mexico's depths for Atoka and Morrow formations. Shannon testified that the Morrow will have to be stimulated within six months even though the Morrow presently is capable of 2 MCF per day production. Liquid from the Strawn is not apparent as in neighboring Strawn wells, and Strawn production is capable of 400,000 cubic feet per day. Morrow production however, has a higher potential than the Strawn. Without approval, the Strawn might have to be sealed off, Shannon stated, holding back a potential reserve of 3 BCF of gas. In the Parkway well, Morrow production is potentialized at 4 MCF per day, and the well has already been acidized. Both of these wells produce above and below the designated boundaries of the Morrow, and Shannon said these percentages in feet should be designated for other zones. On the Superior well, Shannon recommended that 38 percent of the production be designated Atoka production. On the Parkway wells, he said 28 percent should be designated Atoka. Pressures between the zones should equalize with production, based on histories of other wells in the area. Life of the Morrow production in the Parkway wells is estimated at 15 years, and could produce for 20 years. The examiner said the small amount of data on the Strawn calls for more testing, and the case may not have to be readvertised. The case was continued to the first examiner hearing in September, pending further tests.

Log Top LR

Walcamp 9090

Penn 9788

Strawn 10175

Atoka 10475

Morrow FS 10956

" CL 11053

DHC-R-6982