

J. M. HUBER CORPORATION

OIL AND GAS DIVISION

SUITE 232

7120 I-40 WEST AMARILLO, TEXAS 79106

OIL CONSERVATION DIVISION
RECEIVED

'90 MAR 15 AM 8 41

MID-CONTINENT DISTRICT OFFICE

March 12, 1990

(806) 353-9837

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Michael Stogner

NFL-102
M.S.

RE: Superior State No. 2
Morton Wolfcamp Field
Lea County, New Mexico
L-7-15-35
NGPA Section 103
Price Determination

Gentlemen:

The estimated ultimate recovery (EUR) of casinghead gas from the subject well is being provided as requested in your telephone conversation with Huber's Larry Wilson on March 12, 1990. This should satisfy the information requirements for a NGPA Section 103 price determination for Superior State No. 2. (RE: Letter from Huber to NMOCD dated June 21, 1989).

The estimated ultimate recovery of casinghead gas for the subject well is 123,000 MCF, based on the EUR of 80,000 BO documented in the June '89 letter.

If you need additional information please call Bill Horne or Bob Cornelius at (806) 353-9837.

Very truly yours,

J. M. HUBER CORPORATION

Robert Glenn
hyzcc

Robert R. Glenn
District Production Manager

WGH/pt
Attachment

J. M. HUBER CORPORATION

OIL AND GAS DIVISION

SUITE 232

7120 I-40 WEST AMARILLO, TEXAS 79106

MID-CONTINENT DISTRICT OFFICE

June 21, 1989

(808) 353-8837

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico
Attn: Michael Stogner

Re: Superior State No. 2
Morton Wolfcamp Field
Lea County, New Mexico
L-7-15-35
NGPA Section 103
Price Determination

Gentlemen:

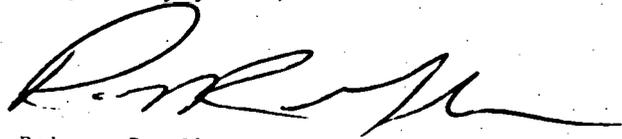
J. M. Huber Corporation requests that an amendment to Division Administrative Order No. NFL-102 be made to include the Superior State No. 2. This request is in response to your letter dated 7-11-85 (attached) and subsequent phone conversations regarding the subject filing.

The Cabot State "Q" No. 1, located 660' FWL & 1980' FSL, Section 7, T-15-S, R-35-E, was originally drilled by McAllister Fuel in 1956, and was subsequently plugged following no substantial oil recovery. Cabot Corporation re-entered the well in 1965, and following the unsuccessful testing of the Strawn and Lower Wolfcamp zones, completed the well in the Upper Wolfcamp from 10,304'-371'. The zone produced 21,719 BO, 31 MMCF of gas, and 44,600 barrels of water over a five year period. The well was plugged by Cabot Corporation in 1970. J. M. Huber Corporation re-entered the well in September, 1981. Huber ran 5-1/2" casing and tied back into the 5-1/2" production casing at 8740'. The well was not able to produce commercial quantities of oil or gas from the Wolfcamp formation. Having no remedial potential, the well was plugged back to 6200' and converted to salt water disposal in June, 1985. The well is presently being used as a SWD well in the San Andres formation from 5628' to 6050'.

The Superior State No. 2, located 1980' FSL & 810' FWL, Section 7, T-15-S, R-35-E, was spudded 8-17-84 and completed 9-24-84. Cumulative production as of January 1, 1987 was 44,781 BO and 46,870 MCF. The well is presently pumping 16 BOPD and 486 BWPD. The ultimate recovery for the well is estimated to be approximately 80 MBO, based on decline curve analysis and the water cut versus cumulative production curve (see attachments). The Wolfcamp reserves for the Superior State No. 2 could not have been recovered by the Cabot State "Q" No. 1 prior to the abandonment of the Wolfcamp zone in 1985.

If you need additional information, please call Bill Horne at (806) 353-9837.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. R. Glenn', written in a cursive style.

Robert R. Glenn
District Production Manager

WGH/caj
Attachments

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 12, 1990

J.M. Huber Corporation
2000 W. Loop South
Midland, TX 79701

Attention: Larry Wilson

Administrative Order NFL-102-A

Dear Ms. Wilson:

Reference is made to your application for an Infill Well Finding and Well-Spacing Waiver made pursuant to Section 271.305(b) of the Federal Energy Regulatory Commission regulations, Natural Gas Policy Act of 1978, and the Oil Conservation Division Order No. R-6013 for the following described well:

Superior State Well No. 2 located 1980 feet from the South line and 810 feet from the West line (Unit L) of Section 7, Township 15 South, Range 35 East, NMPM, Lea County, New Mexico.

THE DIVISION FINDS THAT:

(1) Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling that subsequent wells are necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well-spacing requirements.

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

(3) The well for which a finding is sought is to be completed in the Morton Wolfcamp Pool, and the standard spacing unit in said pool is 80 acres.

(4) A standard 80-acre oil proration unit comprising the N/2 SW/4 of said Section 7 is currently dedicated to the Superior State Well No. 1 located in Unit K of said Section 2; however, at the time the Superior State Well No. 2 was spudded, August 17, 1984, the applicant's Cabot "Q" State Well No. 1, located 1980 feet from the South line and 560 feet from the West line (Unit L) of said Section 7, was listed as a shut-in Morton Wolfcamp oil well.

(5) The Cabot "Q" State Well No. 1 was originally drilled by McAllister Fuel in 1956, and was subsequently plugged following no substantial oil recovery. Cabot Corporation re-entered the well in 1965, and following the unsuccessfully testing of the Pennsylvanian zone, completed the well in the Morton Lower Wolfcamp Pool from 10,304'-371'. The zone produced 21,719 BO, 31 MMCF of gas and 44,600 barrels of water over a five year period. The well was plugged by Cabot Corporation in 1970. J.M. Huber Corporation re-entered the well in September, 1981. Huber ran 5-1/2" casing and tied back into the 5-1/2" production casing at 8740'. The well was not able to produce commercial quantities of oil or gas from the Wolfcamp formation. Having no remedial potential, the well was plugged back to 6200' and converted to a salt water disposal well in June, 1985. The well is presently being used as a SWD well in the San Andres formation from 5628' to 6050'.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 123,000 MCF of gas from the proration unit which would not otherwise be recovered.

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

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

IT IS THEREFORE ORDERED THAT:

(1) The applicant is hereby authorized to drill the Superior State Well No. 2 as described above, as an infill well on the existing 80-acre oil proration unit comprising the N/2 SW/4 (Unit L) of Section 7, Township 15 South, Range 35 East, NMPM, Morton Wolfcamp Pool, Lea County New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

Administrative Order NFL-102-A
J.M. Huber Corporation
March 12, 1990
Page 3

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Michael E. Stogner
Examiner

MES/ag

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe



SANTA FE, NEW MEXICO 87501

APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

1. FOR DIVISION USE ONLY:

DATE COMPLETE APPLICATION FILED February 28, 1984
DATE DETERMINATION MADE November 15, 1984
WAS APPLICATION CONTESTED? YES NO
NAME(S) OF INTERVENOR(S), IF ANY:

RECEIVED
FEB 28 1984
OIL CONSERVATION DIVISION
SANTA FE

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L-6690
7. Unit Agreement Name
8. Farm or Lease Name Superior State
9. Well No. 1
10. Field and Pool, or Wildcat Morton Wolfcamp
12. County Lea

2. Name of Operator
J. M. Huber Corporation

3. Address of Operator
2000 West Loop South, Houston, Texas 77027

4. Location of Well
UNIT LETTER K LOCATED 1980 FEET FROM THE South LINE
1980 FEET FROM THE West LINE OF SEC. 7 TWP. 15S RCE. 35E NMPM

6. Name and Address of Purchaser(s)
Warren Petroleum Company, P. O. Box 1589, Tulsa, Oklahoma 74102

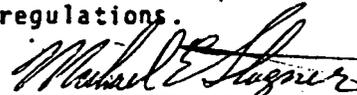
WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

- Category(ies) Sought (By NGPA Section No.) 103 - New, Onshore Production Well
- All Applications must contain:
 - a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
 - b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
 - c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
 - d. AFFIDAVITS OF MAILING OR DELIVERY
- 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 C-102 Well Location and Acreage Dedication Plat
 - All items required by Rule 16A or Rule 16B
 - D. DEEP, HIGH-COST NATURAL GAS and TIGHT FORMATION NATURAL GAS
 - All items required by Rule 17(1) or Rule 17(2)
 - E. STRIPPER WELL NATURAL GAS
 - All items required by Rule 18

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

J. M. HUBER CORPORATION
NAME OF APPLICANT (Type or Print)
By W. Joseph Kent
SIGNATURE OF APPLICANT
Title Attorney
Date February 10, 1984

FOR DIVISION USE ONLY	
<input checked="" type="checkbox"/> Approved	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.
<input type="checkbox"/> Disapproved	
 EXAMINER	

J. M. HUBER CORPORATION

OIL AND GAS DIVISION

SUITE 232

7120 I-40 WEST AMARILLO, TEXAS 79106

Bill Horn
RECEIVED

for any technical data

MID-CONTINENT DISTRICT OFFICE

June 21, 1989

JUN 27 1989

(806) 353-9837

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico
Attn: Michael Stogner

OIL CONSERVATION DIV.
SANTA FE

Re: Superior State No. 2
Morton Wolfcamp Field
Lea County, New Mexico
L-7-15-35
NGPA Section 103
Price Determination

Gentlemen:

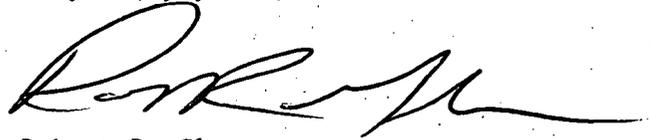
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The Superior State No. 2, located 1980' FSL & 810' FWL, Section 7, T-15-S, R-35-E, was spudded 8-17-84 and completed 9-24-84. Cumulative production as of January 1, 1987 was 44,781 BO and 46,870 MCF. The well is presently pumping 16 BOPD and 486 BWPD. The ultimate recovery for the well is estimated to be approximately 80 MBO, based on decline curve analysis and the water cut versus cumulative production curve (see attachments). The Wolfcamp reserves for the Superior State No. 2 could not have been recovered by the Cabot State "Q" No. 1 prior to the abandonment of the Wolfcamp zone in 1985.

If you need additional information, please call Bill Horne at (806) 353-9837.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert R. Glenn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert R. Glenn
District Production Manager

WGH/caj
Attachments



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

July 11, 1985

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

TONY ANAYA
GOVERNOR



J. M. Huber Corporation
1900 Wilco Building
Midland, Texas 79701

Attention: Robert R. Glenn
District Production Manager

Re: NGPA Section 103 Application
Superior State Well No. 2
L-7-15S-35E

Dear Mr. Glenn

Pursuant to Rule 13 of Division Order No. R-5878, as amended, the subject well is an infill well to your Cabot "Q" State Well No. 1. The promotion unit is dedicated to the Cabot "Q" Well until such time as it is either plugged and abandoned or plugged back to another interval. Granted the situation in the N/2 SW/4 of said Section 7 is somewhat complex, an Infill-Well Finding was issued to your Superior State Well No. 1 located in Unit K, therefore I am requesting that an amendment to Division Administrative Order No. NFL-102 be filed to include the subject well. This should satisfy the requirements of the FERC for an NGPA Section 103 determination for the subject well.

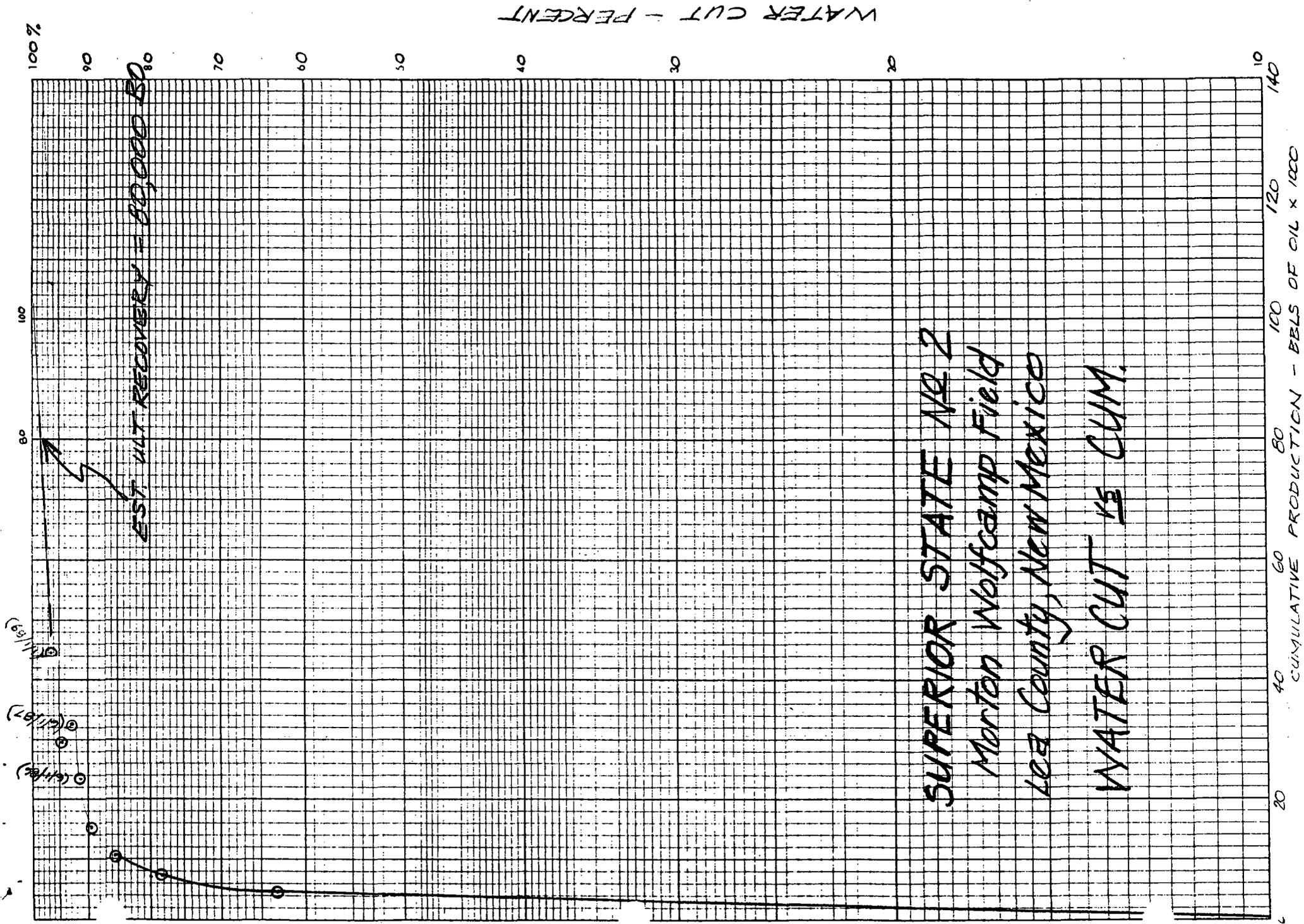
If you should have any questions concerning this matter, please contact me.

Sincerely

Michael E. Stogner
Acting Chief Engineer

MES/et

1986



SUPERIOR STATE NR 2
Morton Wolfcamp Field
Lea County, New Mexico
WATER CUT \approx CUM.

Operator (#340372)	Lease name	Well #
HUBER J M CORP	SUPERIOR STATE	000002

Ident. #	State	Dist	County	Location	Lse/tax /unit #
15S35E07LM1WC	NM(30)	002	025 LEA	7L 15S 35E	961

API #	Field (#008052974)	Reservoir
30-025-00000	MORTON WOLFCAMP	WC

Total Depth	Perforations Upper Lower	Temp Gradient	N-Factor	GOR
0	0 0	0.000	0.000	0

Comp Date	Production Dates First Last	Status Date	Status
0	8409 8902	0	ACT

Cumulative gas MCF	Since FP Date	Gas Gravity	Gas Gatherer
48354		0.00	

Cumulative liquid BBL	Since FP Date	Liquid Gravity	Liquid Gatherer
44336		0.00	FERMI

Month	Oil bbls	Cum Oil bbls	Gas mcf	Cum Gas mcf	Water bbls	No. of Wells
January	0	0	0	0	0	1
February	0	0	0	0	0	1
March	0	0	0	0	0	1
April	0	0	0	0	0	1
May	0	0	0	0	0	1
June	0	0	0	0	0	1
July	0	0	0	0	0	1
August	0	0	0	0	0	1
September	1361	1361	1	1	0	1
October	0	1361	1688	1689	0	1
November	2296	3657	2594	4283	0	1
December	2395	6052	2508	6791	0	1
Total 1984	6052	6052	6791	6791	0	1
January	2050	8102	1345	8136	7447	1
February	1148	9250	1062	9198	0	1
March	1105	10355	1219	10417	8288	1
April	1072	11427	1053	11470	7455	1
May	918	12345	1379	12849	8488	1
June	940	13285	1307	14156	7206	1
July	803	14088	988	15144	8327	1
August	724	14812	987	16131	8972	1
September	656	15468	666	16797	9405	1
October	675	16143	662	17459	10285	1
November	726	16869	691	18150	10209	1
December	739	17608	627	18777	9851	1
Total 1985	11556	17608	11986	18777	95933	1
January	657	18265	1505	20282	9572	1
February	821	19086	894	21176	6670	1
March	874	19960	819	21995	9061	1
April	785	20745	1012	23007	8964	1
May	813	21558	999	24006	8665	1
June	1099	22657	1145	25151	7651	1
July	712	23369	989	26140	5625	1
August	893	24262	1007	27147	5046	1
September	540	24802	652	27799	2981	1
October	1212	26014	1575	29374	0	1
November	796	26810	830	30204	5179	1
December	565	27375	584	30788	10270	1
Total 1986	9767	27375	12011	30788	79684	1
January	582	27957	418	31206	9099	1
February	806	28763	450	31656	8606	1
March	615	29378	138	31794	7112	1
April	622	30000	601	32395	9371	1
May	557	30557	351	32746	9987	1
June	639	31196	587	33333	9688	1
July	798	31994	879	34212	10459	1

Month	Oil bbls	Cum Oil bbls	Gas mcf	Cum Gas mcf	Water bbls	No. of Wells
August	894	32888	861	35073	13026	1
September	757	33645	873	35946	12583	1
October	901	34546	772	36718	14898	1
November	979	35525	1181	37899	15428	1
December	484	36009	883	38782	0	1
Total 1987	8634	36009	7994	38782	120257	1
January	861	36870	696	39478	16302	1
February	695	37565	594	40072	15254	1
March	767	38332	751	40823	0	1
April	888	39220	991	41814	15871	1
May	531	39751	472	42286	4135	1
June	517	40268	400	42686	0	1
July	587	40855	714	43400	19093	1
August	511	41366	367	43767	18281	1
September	667	42033	706	44473	19748	1
October	336	42369	627	45100	13667	1
November	503	42872	892	45992	0	1
December	548	43420	814	46806	21734	1
Total 1988	7411	43420	8024	46806	144085	1
January	502	43922	757	47563	21060	1
February	414	44336	791	48354	16947	1
Total 1989	916	44336	1548	48354	38007	1

$$\underline{\underline{= 79,981 \text{ BO}}}$$

EST. ULT. RECOVERY = 44,781 + 35,200

CUM. PROD. = 44,781 BO

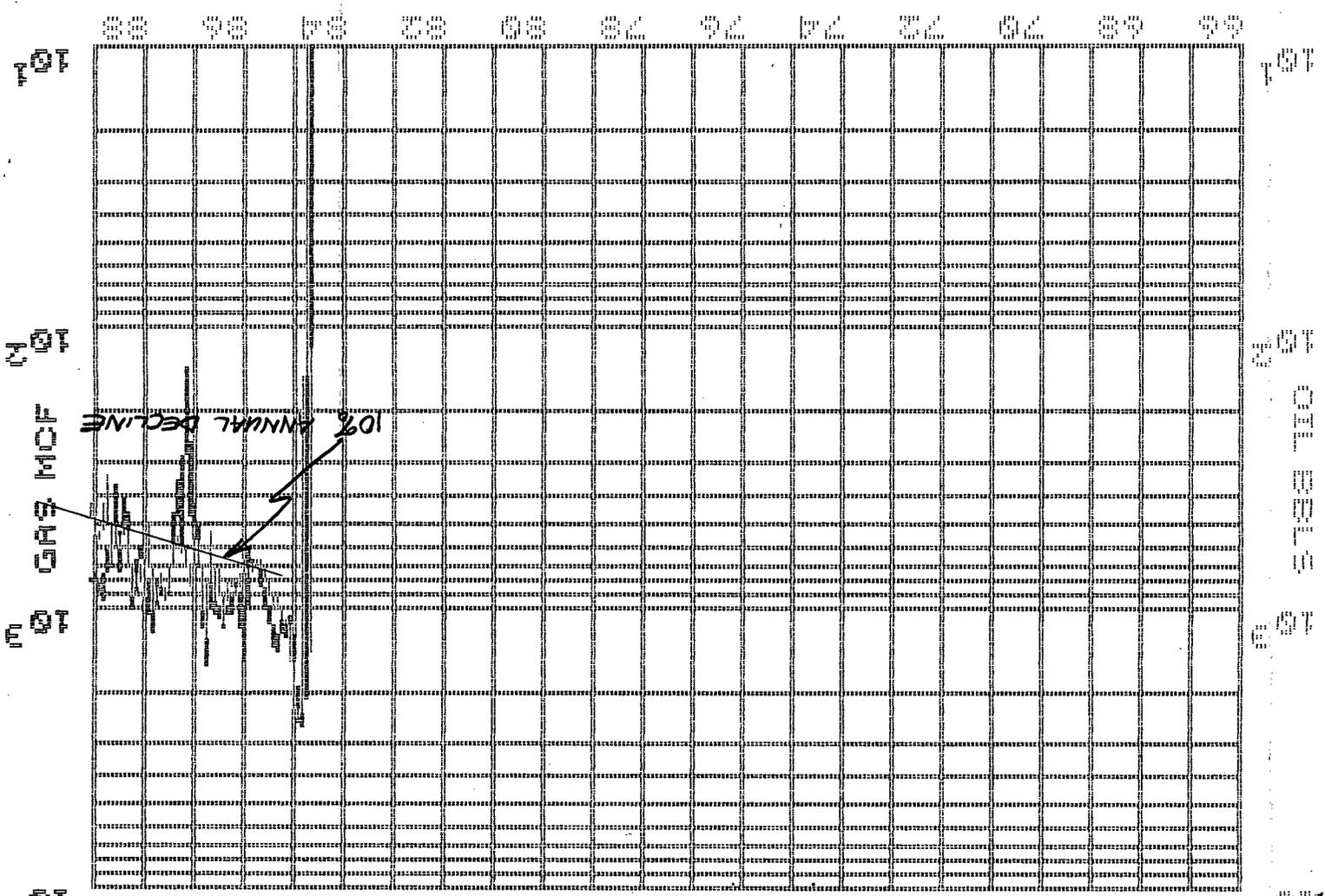
LIFE = 9.4 YRS

RESERVES = 35,200 BO

DECLINE RATE = 10%

FINAL RATE = 188 BOPM

INITIAL RATE = 486 BOPM



SUPERIOR STATE NO. 2

SEMI-LOG PROFILE

CONTINUED MOORE PERMO-PENNSYLVANIAN

WELL S T R JAN FEB MAR APRIL MAY JUNE JULY AUG SEPT OCT NOV DEC 1964 PROD MP ACCUM

SANGOH OIL CORPORATION															
J.M. MOORE	2F2511532E	OIL	44	228		156	178	135		118	318	20	21	1524	771
JOHN H. MOORE	1E2511532E	OIL												1584	19515
PLUGGING APPROVED 1980															
COMPANY TOTAL		OIL	44	228		156	178	135		118	318	20	21	1584	20286

TENAGO INCORPORATED (CAPROCK DISTRICT)															
JOHN H. MOORE	1O2511532E	OIL	166	1039	1039	839	731	739		859	1183	7290	3319	1913	12867
		GAS	450	3683	3906	1875	100378	3900		857	1140	7290	3319	1913	127102
LAST PROD. PRIOR TO 6/73															
NEW MEXICO STATE		OIL													241
PLUGGING APPROVED 1957															
COMPANY TOTAL		OIL	166	1039	1039	839	731	739		859	1183	7290	3319	1913	56316
		GAS	450	3683	3906	1875	100378	3900		857	1140	7290	3319	1913	127102

TENAGO INCORPORATED (MONUMENT DISTRICT)															
	1A2611532E	OIL													2048
CONVERTED TO SMD															
COMPANY TOTAL		OIL													2048

MORTON PERMO PENN. NORTH PP ION TO IIM

ELK OIL COMPANY															
	1E3614534E	OIL	399	189	328	362	123	225	129	223	223	178	189	188	35995
ANDERSON STATE															
J.M.	1P2614534E	OIL	17	82	17	188	77	123	181	188	88	9	108		26498
		GAS	1260	284	142	1880	800	1300	1880	1100	200		108		18226
UNION STATE															
	1N2514534E	OIL	783	549	736	734	522	936	739	980	989	922	939	967	182966
		GAS													
COMPANY TOTAL		OIL	1182	821	998	933	724	1221	1022	1022	821	820	822	822	24349
		GAS	1260	428	298	2084	1084	1421	1588	1022	1688	200	322	322	18226

FEATHERSTONE DEVELOPMENT CORPORATION															
	1M2914535E	OIL													148091
ANDERSON STATE															
	1M2914535E	OIL													27244
TENNOCO FEDERAL															
	1F3114535E	OIL													14007
PLUGGING APPROVED 1974															
COMPANY TOTAL		OIL													48062

OLEN C. FEATHERSTONE															
	1C2914535E	OIL													1304
ANDERSON STATE															
	1C2914535E	OIL													1727
CONVERTED TO SMD															
COMPANY TOTAL		OIL													3031

TENNOCO OIL COMPANY															
	1G3114535E	OIL													30634
ANDERSON FEDERAL															
	1G3114535E	OIL													46881
MAXWELL															
	2K3114535E	OIL													77513
PLUGGING APPROVED 1971															
COMPANY TOTAL		OIL													15429

WAGNER AND BROWN															
	1J3114535E	OIL	393	318	505	449	351	327	322	586	389	340	591	342	302536
		GAS	21390	19530	28850	27900	28830	27900	28095	31868	32895	31868	30840	31868	341814
		GAS													5887

MORTON WOLFCAMP NC ION TO IIM

CADOT CORPORATION															
	1L715535E	OIL													21719
PLUGGING APPROVED 1974															
GREAT WESTERN DRILLING COMPANY															
	1O715535E	OIL	457	712	263	311	333	343	402	301	366	649	370	313	25527
		GAS	1766	1196	1207	1874	2563	4326	4395	4182	4810	4626	4439	2680	18190
		GAS	3118	1196	1207	1874	2563	4326	4395	4182	4810	4626	4439	2680	18190
		GAS									849	1601	1820	1539	5805P
		GAS									4441	4840	6025	10081	28427
STATE 82															
	1G1815535E	OIL													1629
LAST PROD. DATE 12/83															
COMPANY TOTAL		OIL	457	712	263	311	333	343	402	301	366	649	370	313	32965
		GAS	3118	1196	1207	1874	2563	4326	4395	4182	4810	4626	4439	2680	18190

PEAK GAS CORPORATION															
	1A1215534E	OIL													26856
PLUGGING APPROVED 1969															

EABOT CORP CORPORATION															
	1L715535E	OIL	322	268	275	275	197	198	194						2030
GAS															
		GAS													1723
JAMES O'NEILL															
	3F715535E	OIL	1438	1347	1377	1168	3437	2065	1164	1600	1395	1297	1118	1028	62459
		GAS													14668
STATE 3F															
	2C715535E	OIL	823	292	306	285	358	378	710	590	721	812	918	1228	6249
		GAS													
JAMES O'NEILL STATE COM															
	1J1215534E	OIL	859	899	1193	1127	2991	1116	1211	1422	1392	806	1286	1197	66326
		GAS	18330	18310	18830	16490	17430	16190	16900	13880	15470	20480	19520	19520	96448
STOLTZ FEDERAL															
	2O1215534E	OIL	2194	2782	2379	3023	2771	2219	2562	1929	1392	3663	2059	1197	22594
		GAS													
STATE 12															
	1N615535E	OIL													22594
CONVERTED TO SMD															
SUPERIOR		OIL	131	2701	3074	3391	3091	2812	1917	3033	4322	2853	3392	2112	17862
		GAS													22594
		GAS													6052
STATE 2L															
	1N715535E	OIL													2607
SUPERIOR STATE															
	1N715535E	OIL													934234
PLUGGING APPROVED 1973															
COMPANY TOTAL		OIL	3785	5299	5921	7023	6327	7970	7788	10988	18719	7394	14638	18088	18938
		GAS	18330	18310	18830	17023	16280	17430	16190	13880	15470	20480	19520	19520	934234

UNION OIL COMPANY OF CALIFORNIA															
	1P1215534E	OIL	251	763	192	681	736	637	525	711	622	891	375	1282	582241
ANDERSON FEDERAL															
	1P1215534E	OIL	24552	22968	7920	17400	15600	18000	16800	16200	18000	18600	22600	13320	212240

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LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
L-6690-1

7. Unit Agreement Name

8. Farm or Lease Name
Cabot "Q" State

9. Well No.
1

10. Field and Pool, or Wildcat
Morton Wolfcamp

12. County
Lea

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER-

2. Name of Operator
J.M. Huber Corporation

3. Address of Operator
1900 Wilco Building, Midland, Texas 79701

4. Location of Well
UNIT LETTER L 1980 FEET FROM THE South LINE AND 560 FEET FROM
THE West LINE, SECTION 7 TOWNSHIP 15S RANGE 35E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
KB: 4053'

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER

PLUG AND ABANDON

CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPWS.

CASING TEST AND CEMENT JOB

OTHER Shut well in

ALTERING CASING

PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

7/21/84

Subject well was shut-in. Pumping unit has been moved from location. The well is being evaluated for conversion to a salt water disposal well.

An Application For Permit to Drill, Form C-101 has been submitted for a replacement producing well in the Morton Wolfcamp Field, the Superior State No. 2.

RECEIVED

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief. (915) 682-3794

SIGNED Robert R. Glenn Robert R. Glenn TITLE District Production Manager DATE July 30, 1984

APPROVED BY [Signature] TITLE DISTRICT 1 SUPERVISOR DATE AUG - 1 1984

CONDITIONS OF APPROVAL IF ANY:
Expires 8/1/85

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

I.

Operator J. M. Huber Corporation Well Name and No. Superior State Well No. 1
Location: Unit K Sec. 7 Twp. 15 South Rng. 35 East Cty. Lea

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

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

(3) That the well for which a finding is sought is to be completed in the Morton Wolfcamp Pool, and the standard spacing unit in said pool is 80 acres.

(4) That a 80-acre proration unit comprising the N/2 SW/4 of Sec. 7, Twp. 15 South Rng. 35 East, is currently dedicated to the Cabot "Q" State Well No. 1 located in Unit L of said section.

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

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

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 35,000 MCF of gas from the proration unit which would not otherwise be recovered.

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

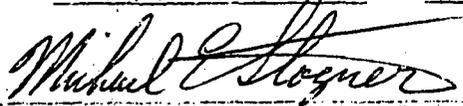
(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

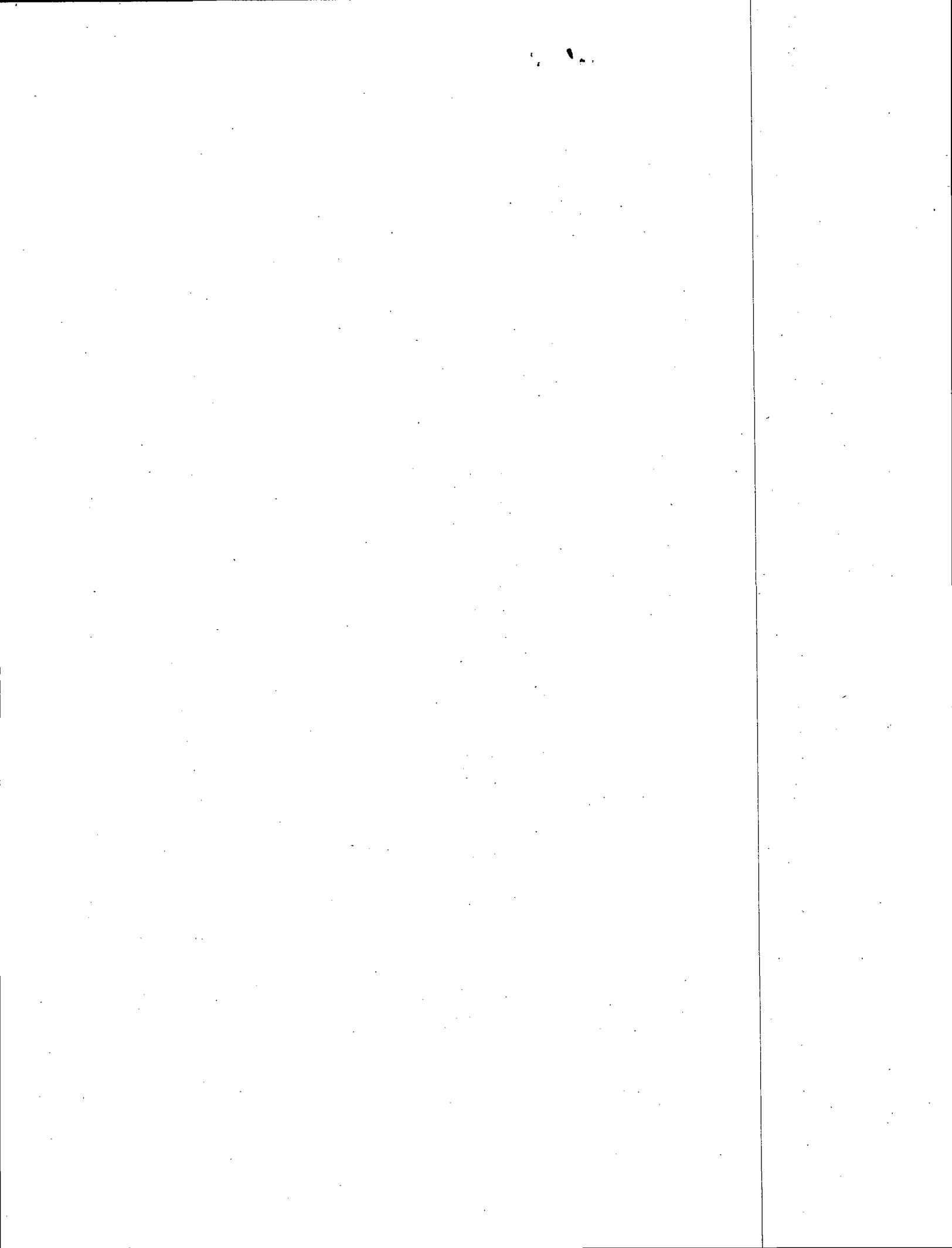
IT IS THEREFORE ORDERED:

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

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this 14 day of November, 19 84.


DIVISION DIRECTOR _____ EXAMINER X



Received 4/30/84

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER
NFL 102

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

I.

Operator J. M. Huber Corporation Well Name and No. Superior State Well No. 1
Location: Unit K Sec. 7 Twp. 15 South Rng. 35 East Cty. Lea

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

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

(3) That the well for which a finding is sought is to be completed in the Morton Wolfcamp Pool, and the standard spacing unit in said pool is 80 acres.

(4) That a 80-acre proration unit comprising the 1/2 SW/4 of Sec. 7, Twp. 15 South, Rng. 35 East, is currently dedicated to the Cabot "Q" State Well No. 1 located in Unit L of said section.

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

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

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 35,000 MCF of gas from the proration unit which would not otherwise be recovered.

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

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

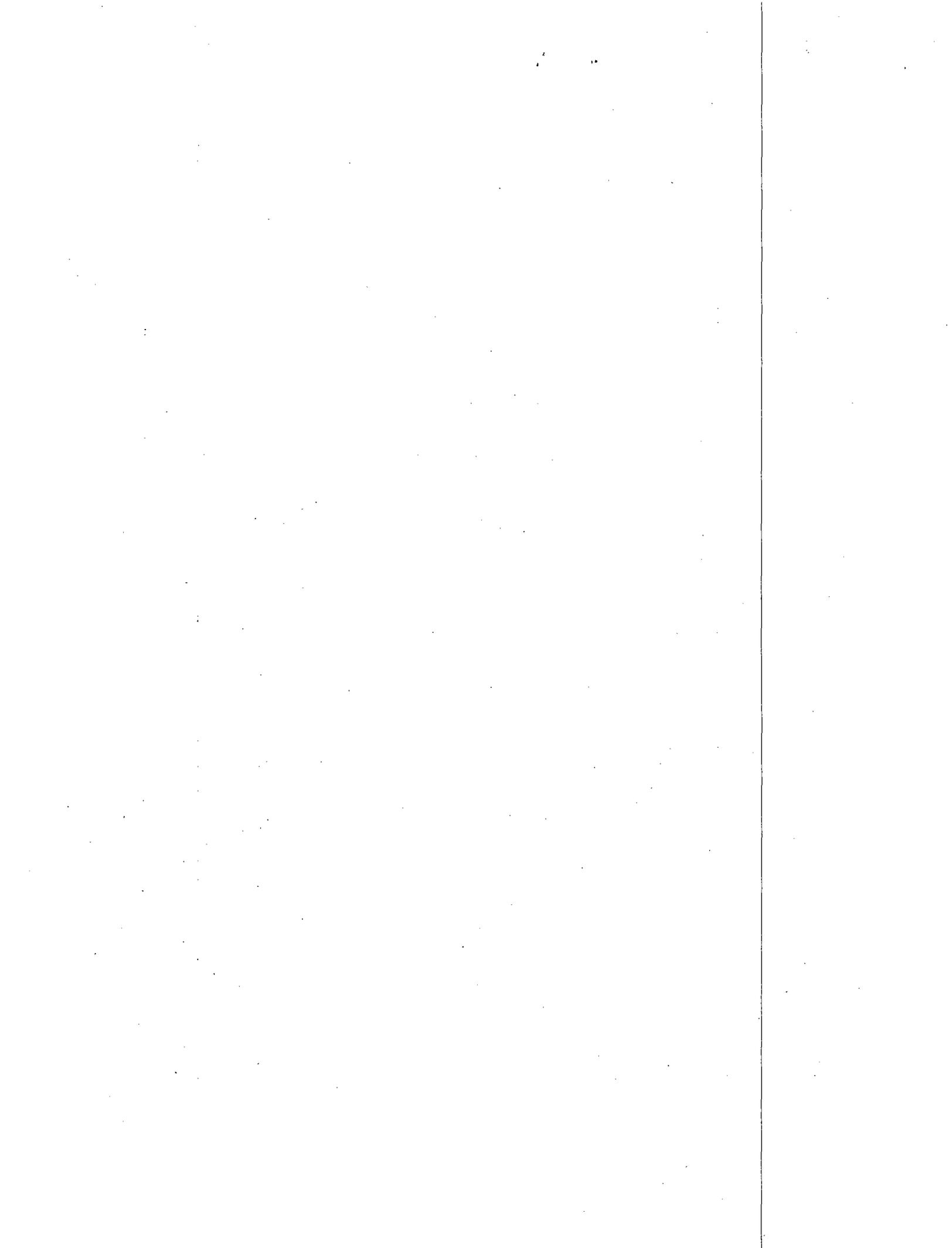
IT IS THEREFORE ORDERED:

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

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

DIVISION DIRECTOR _____ EXAMINER



J. M. HUBER CORPORATION

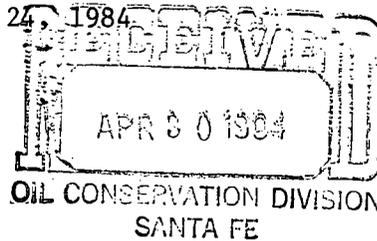
OIL AND GAS DIVISION
1900 WILCO BUILDING
MIDLAND, TEXAS 79701

MIDLAND DISTRICT OFFICE

April 24, 1984

TELEPHONE
915-682-3794

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



Re: Superior State No. 1
Morton Wolfcamp Field
Lea County, New Mexico
K-7-15-35
NGPA INFILL FINDING

Gentlemen:

J.M. Huber is hereby making application for an effective and efficient drainage finding for the subject well, which was completed 1/4/84. The Superior State No. 1 is needed to effectively and efficiently drain the portion of the reservoir covered by the proration unit which cannot be drained by the existing well on the unit, the Cabot State "Q" No. 1. The following are submitted to support this application:

- 1) Approved copy of Form C-101, Application for Permit to Drill, and Form C-102, Well Location and Acreage Dedication Plat. (Attached)
- 2) The name of the pool is Morton Wolfcamp, and the standard unit size is 80 acres.
- 3) Division Order No. R-2872 provides for the drilling of a non-standard proration unit.
- 4) A description of both wells on the proration unit is attached.
- 5) The following engineering information is submitted in support of the fact that the second well in the unit is necessary to recover reserves which would not otherwise be recovered by the first well in the unit.
 - a) The ultimate recovery of the Cabot State "Q" No. 1 is estimated to be 24,000 BO and 35 MMCF, based on decline curve analysis. Cumulative production as of 4/1/84 is 23,355 BO and 34 MMCF. The well is currently producing at the rate of 3 BOPD, 11 MCFPD, and 6 BWPD. The well cannot possibly recover the reserves identified by the Superior State No. 1, which is flowing 106 BOPD and 156 MCFPD.

- b) The Superior State No. 1 will recover an estimated 200,000 barrels of oil and 45.8 MCF of gas which cannot be recovered by the Cabot State "Q" No. 1. The reserves were calculated volumetrically for 40 acres using data from open hole logs run in the Superior State No. 1.
- 6) All operators of offsetting proration units have been notified that this application is being made.

If you need any additional information, please call Bill Horne in this office.

Sincerely yours,

J.M. HUBER CORPORATION

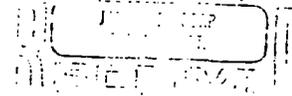


Robert R. Glenn
District Production Manager

WGH/sgp

Attachments

APF: 30-025-28291



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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE 5 FEE
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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

2. Name of Operator
J.M. Huber Corporation

3. Address of Operator
1900 Wilco Bldg., Midland, TX 79701

4. Location of Well UNIT LETTER K LOCATED 1980 FEET FROM THE South LINE AND 1980 FEET FROM THE West LINE OF SEC. 7 TWP. 15S RGE. 35E NMPM

7. Unit Agreement Name
8. Farm or Lease Name
Superior State
9. Well No.
1
10. Field and Pool, or Wildcat
Morton Wolfcamp
12. County
Lea

15. Proposed Depth 10,500' 19A. Formation Wolfcamp 20. Rotary or C.T.
Rotary

21. Elevations (Show whether DF, RT, etc.) 4040' Ground Level 21A. Kind & Status Plug. Bond \$50,000-Current 21B. Drilling Contractor Not available 22. Approx. Date Work will start 10/11/83

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	400'	400'	Circulate
12-1/4"	8-5/8"	28# & 24#	4500'	2500'	Circulate
7-7/8"	5-1/2"	17# & 15#	10,500'	1100'	4000'

Drill to total depth utilizing casing and cement programs as shown. Install double ram blowout preventer after cementing surface casing and test to 2000 psi.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 1/22/84
UNLESS DRILLING UNDERWAY

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

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

Signed J. Sexton Title Manager of Operations Date 7/11/83

APPROVED BY JERRY SEXTON
DISTRICT I SUPERVISOR

JUL 22 1983

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

W MEXICO OIL CONSERVATION COMM ON
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-100
Supersedes O-7
Effective 10-1-1974

All distances must be from the outer boundaries of the Section

Grantor J. M. Huber Corporation			Lessee Superior State		Well No. 1
Grid Letter K	Section 7	Township 15 South	Range 35 East	County Lea County	

Actual Well Location of Well:

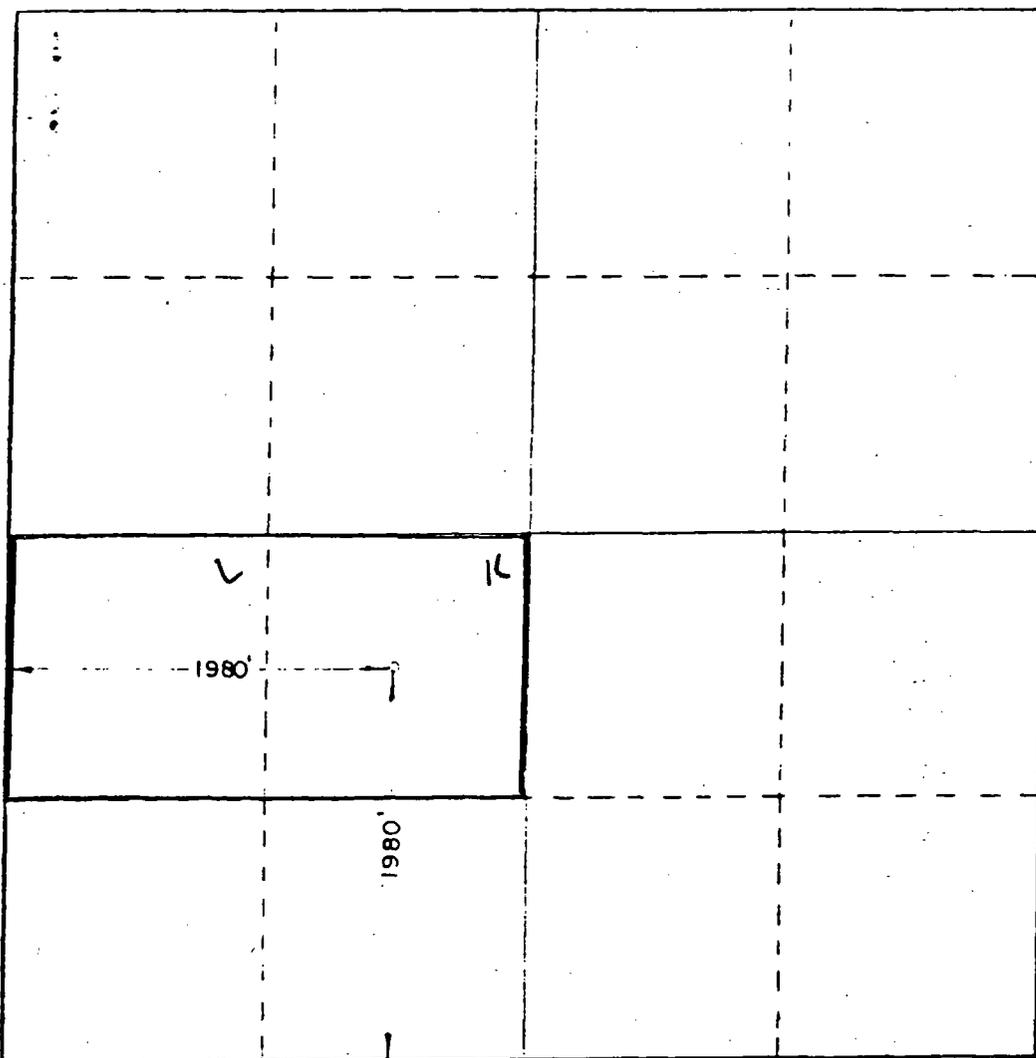
1980 feet from the South line and 1980 feet from the West line	Producing Formation Wolfcamp	Foot Morton Wolfcamp	Dedicated Acreage: 80
Spot Elevation 4039.7			

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

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

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

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



CERTIFICATION

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

Frank Leder

Name
Frank Leder

Position
Manager of Operations

Company
J.M. Huber Corp.

Date
July 11, 1983
(915) 682-3794

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

Date Surveyed
July 7, 1983
Registered Professional Engineer and Land Surveyor

Ronald J. Eidson
Certificate No. **JOHN W. WEST** 674
RONALD J. EIDSON 5039

CABOT STATE "Q" NO. 1
DESCRIPTION OF 1ST WELL IN UNIT

Lease Name: Cabot State "Q" No. 1

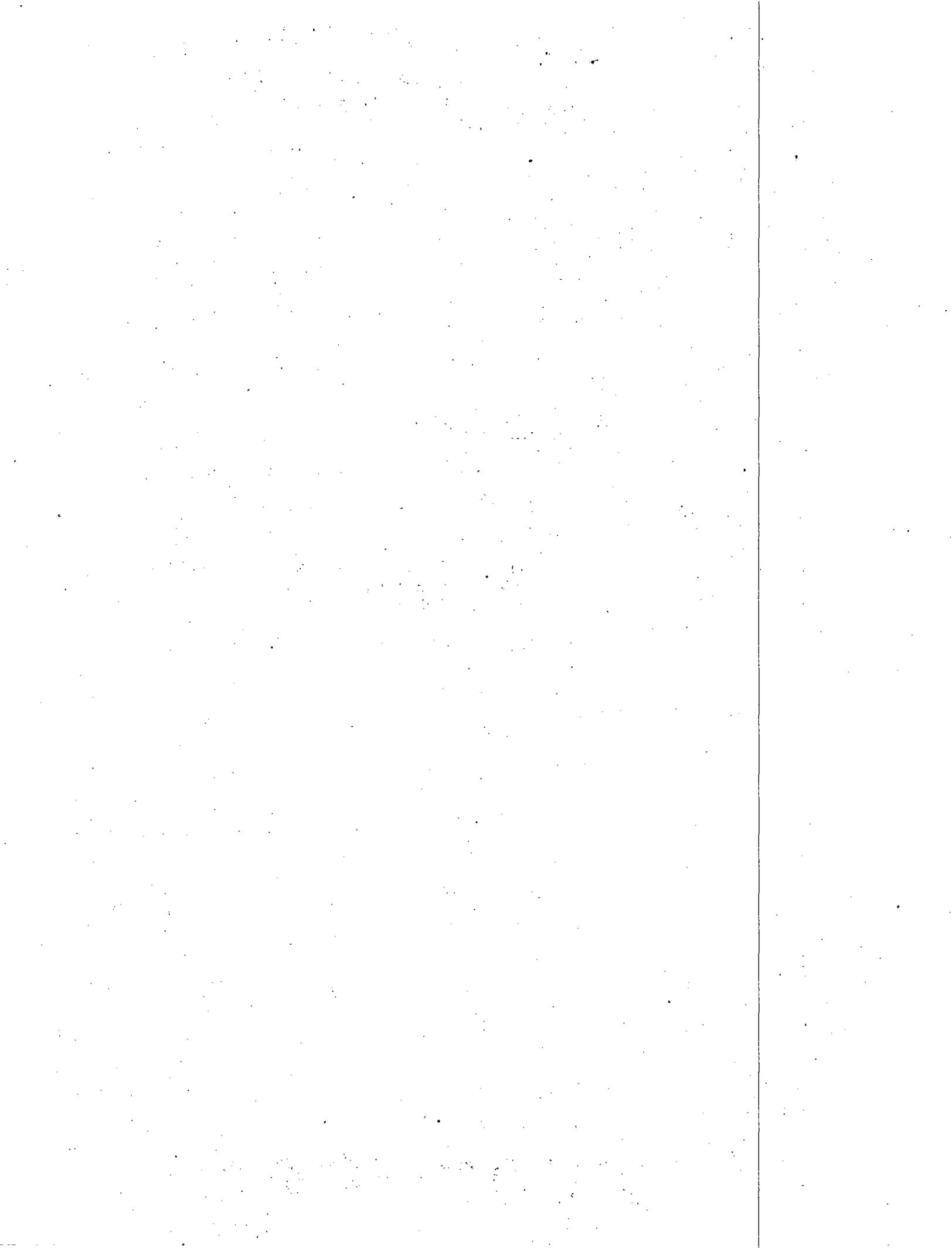
Location: 660' FWL & 1980' FSL, Sec. 7, T15S, R35E

Spud Date: 3/7/56: Re-entry by Cabot 5/26/65: Re-entry by Huber 9/15/81

Completion Date: 5/25/65 by Cabot: 9/22/81 by Huber

Description of Mechanical problems and remedial action taken and results obtained:

The Cabot State "Q" No. 1 ^{Shut In} was originally drilled by McAllister Fuel in 1956, and was subsequently ~~plugged~~ following no substantial oil recovery. Cabot Corporation re-entered the well in 1965, and following the unsuccessful testing of the Strawn and Lower Wolfcamp zones, completed the well in the Upper Wolfcamp from 10,304'-371'. The zone produced 21,719 BO, 31 MMCF of gas, and 44,600 barrels of water over a five year period. The well was plugged by Cabot Corporation in 1970. J.M. Huber Corporation re-entered the well in September, 1981. Huber ran 5½" casing and tied back into the 5½" production casing at 8740'. The well currently produces 3 BOPD and 6 BWPD from the Wolfcamp by rod pump and is therefore incapable of draining the entire proration unit.



SUPERIOR STATE NO. 1
DESCRIPTION OF 2nd WELL IN UNIT

Lease Name: Superior State No. 1

Location: 1980' FSL & FWL, Sec. 7, T15S, R35E
Lea County, New Mexico

Spud Date: November 13, 1983

Completion Date: January 4, 1984

Description of mechanical problems and remedial action taken and results obtained:

The Superior State No. 1 has no mechanical problems.

Current Rate of Production: Flowing 108 BOPD and 158 MCFPD through 10/64" choke with flowing tubing pressure of 670 psi.

The proration unit cannot be drained by the first well on the unit, Cabot State "Q" No. 1, because the well is approaching its economic limit of 2 BOPD.



J.M. Huber Corporation
2000 West Loop South
Houston, TX 77027

Attention: Harry Wilson

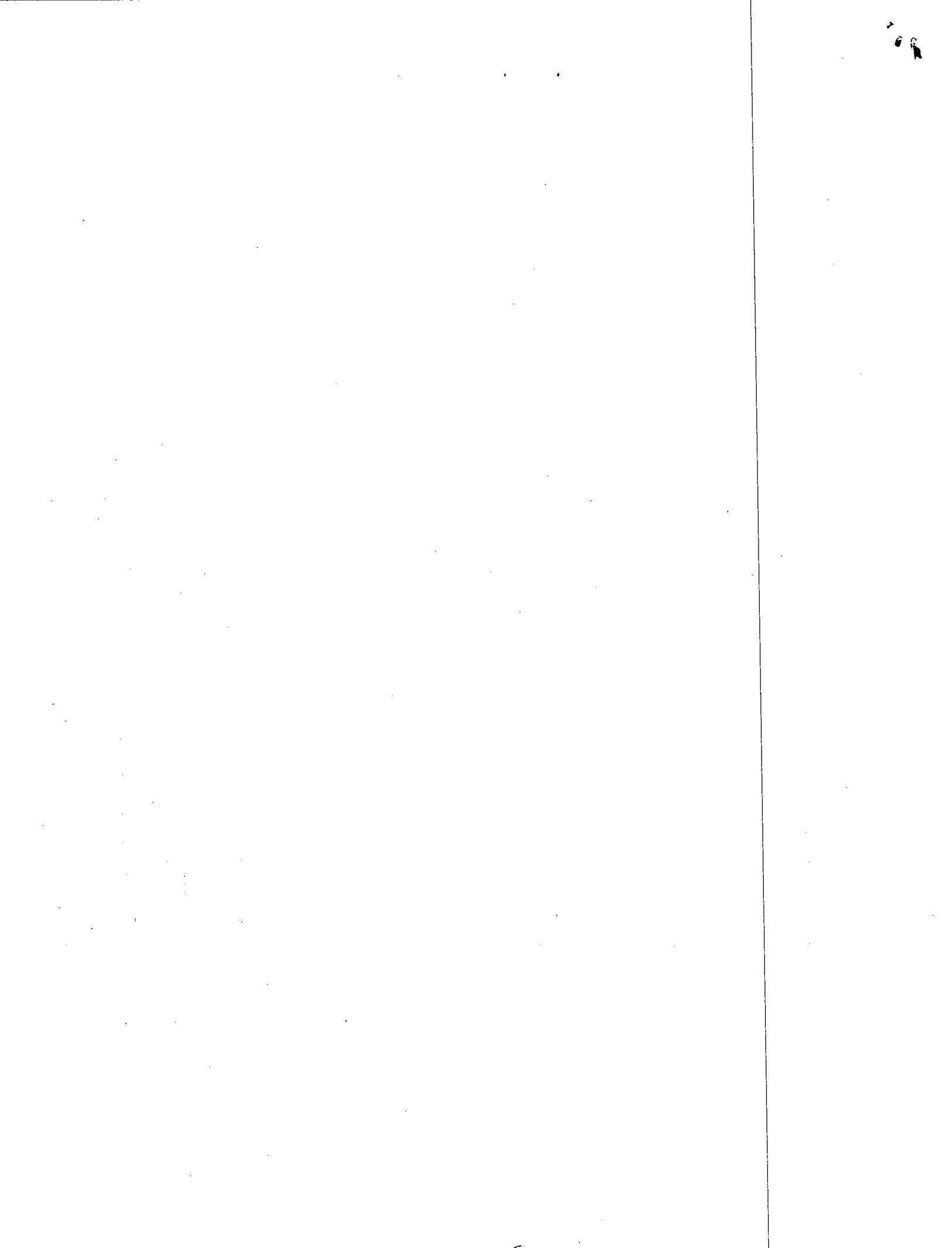
AMENDED

RE: Administrative Order NFL-102

Dear Ms. Wilson:

Reference is made to your application for an Infill Well Finding and Well-Spacing Waiver made pursuant to Section 271.305(b) of the Federal Energy Regulatory Commission regulations, Natural Gas Policy Act of 1978, and the Oil Conservation Division Order No. R-6013 for the following described well:

Superior State Well No. 2 located ¹⁹⁸⁰ ~~28~~ feet
from the South line and 810 feet from the West line of
(Unit 2)



Section 7, Township 15 South, Range 35 East, NMPM,
Lea County, New Mexico.

THE DIVISION FINDS THAT:

(1) Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

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

(3) The well for which a finding is sought is to be completed in the Merton Wolfcamp Pool, and the standard spacing unit in said pool is 80 acres.

(4) A ~~X~~ standard 80 -acre (gas) (oil) proration unit comprising the N/2 SW/4 ^{and} of Section 7 ~~township~~ 15 South, Range 35 West, is currently dedicated to the Superior State Well No. 1 located in Unit K of said Section 2.

() Said non-standard unit was previously approved by Order No. _____.

189

Case No. 9838
Order No. R-9130
Page No. 3

(12) The evidence also indicates that both transporters are taking gas from the wells in this pool, there is no discrimination in takes between transporters, and there is a market demand for all gas produced from all wells in the pool.

(13) The applicant presented evidence that the adoption of natural gas prorationing in the Pitchfork Ranch-Atoka Gas Pool would increase the ultimate recovery of gas reserves from the pool by approximately 355 million cubic feet or 4.4%. The witness presenting this evidence based his conclusions upon computer modeling which has a 5% margin of error.

(14) The reliability of computer modeling of reservoir performance depends on the assumptions made and the parameters used, and is most useful in conjunction with actual reservoir performance evidence to predict the results under varying conditions.

(15) Applicant did not provide adequate evidence identifying and supporting the

parameters and assumptions and how they were derived. Applicant
identify the actual model format or adequately correlate the model results to actual
reservoir performance to establish the validity of the conclusions drawn from the model.

(16) The evidence also showed that implementation of prorationing would not allocate the gas market to the wells in the pool as it is intended to do, for all wells in the pool except for the Enron Oil and Gas Company Pitchfork "34" Federal Com Well No. 1 located in the W/2 of Section 34, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, would be classified as marginal and would therefore be allowed to produce without restriction. The balance of the market would be assigned to the one non-marginal well thereby violating correlative rights to the interest owners in this one well.

(17) The conditions which precipitate gas prorationing in the Pitchfork Ranch-Atoka Gas Pool do not exist and this application should therefore be denied.

IT IS THEREFORE ORDERED THAT:

(1) The application of Parker Drilling Company seeking to limit gas production from the Pitchfork Ranch-Atoka Gas Pool to reasonable market demand and to the capacity of gas transportation facilities, and that Special Rules and Regulations be adopted for said pool including provisions for allocating allowable production among the wells in the pool on a 100% surface acreage basis, is hereby denied.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED THAT:

(1) The applicant is hereby authorized to drill the Superior State Well No. 2 ^{and utilize} as described above, as an infill well on the existing 80 -acre oil (gas) proration unit comprising the W/2 SW/4 of Section 7, Township 15 South, Range 35 East, NMPM, Morton Wolford Pool, Lea County, New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Michael E. Stogner

Examiner

cc: Oil Conservation Division - Hobbs