

JMA
NSL 455
issue
2-18-70

condemned
South Carlsbad - Morrow

MORRIS R. ANTWEIL
OIL OPERATOR
P. O. Box 2010
HOBBS, NEW MEXICO 88240

MAIN OFFICE OCC

970 JAN 29 PM 12 56

January 28, 1970

Re: Application for Administrative Approval of Unorthodox Gas Well Location, Eddy County, New Mexico.

Mr. A. L. Porter, Jr., Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Morris R. Antweil respectfully requests an exception to the well location requirements to permit the re-entry of No. 1 Missouri-New Mexico Land Company, located 990 feet from the south line and 1980 feet from the east line of Section 6-23S-27E, Eddy County, New Mexico. The attached copy of Form C-102 shows the location of the well available for re-entry and the proposed 320-acre standard unit to be dedicated to the well.

The No. 1 Missouri-New Mexico Land Company was drilled in 1967 as a Strawn test at an orthodox location on the then designated 320-acre unit consisting of the south half of Section 6. Our working interest in the southwest quarter section has subsequently expired, and we now have acquired the working interest as to the northeast quarter section. We therefore request approval to re-enter our No. 1 Missouri-New Mexico Land Company at an unorthodox location on the 320-acre unit consisting of the east half of Section 6.

The attached plat shows the operators of the offsetting acreage and the locations of adjacent wells. The offset operators, Mobil Oil Corporation,

So Carlsbad - Strawn
- Morrow
- Alamo

MAIN OFFICE 000
'70 JAN 29 PM 12 56

Pennzoil United, Inc., Superior Oil Company, and Atlantic Richfield Company have been furnished a copy of this application by certified mail on this date.

Your favorable consideration of our application will be appreciated.

Very truly yours,

MORRIS R. ANTWEIL, Oil Operator



R. M. Williams

RMW/rs
Encls.

cc: Supervisor, District II,
Artesia, New Mexico 88210

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-11
Revised 11-65

MAIN OFFICE 000
 JAN 28 PM 12 56

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>		5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		5. State Oil & Gas Lease No.	
2. Name of Operator Morris R. Antweil		7. Unit Agreement Name	
3. Address of Operator Box 2010 Hobbs, New Mexico 88240		8. Farm or Lease Name Missouri-New Mexico Land Co.	
4. Location of Well UNIT LETTER <u>0</u> LOCATED <u>990</u> FEET FROM THE <u>south</u> LINE AND <u>1980</u> FEET FROM THE <u>east</u> LINE OF SEC. <u>6</u> TWP. <u>23-S</u> RGE. <u>27-E</u> NMPM		9. Well No. <u>1</u>	
		10. Field and Pool, or Wildcat <u>Undesignated</u>	
		12. County Eddy	
		19. Proposed Depth <u>11,700'</u>	
		19A. Formation <u>Atoka-Morrow</u>	
		20. Rotary or C.T. <u>Rotary</u>	
21. Elevations (Show whether DF, RT, etc.) <u>3217' KB</u>		21A. Kind & Status Plug. Bond <u>Blanket</u>	
		21B. Drilling Contractor <u>Delta</u>	
		22. Approx. Date Work will start <u>Prior to Mar 1, 70</u>	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17"	13-3/8"	48	273'	350	Circ
11"	8-5/8"	24 & 32	2592	750	Circ
7-7/8"	5-1/2"	15 & 17	11,700'	400	9700'

Well was P&A Oct. 13, 1967. TD 10,742'. Propose to re-enter & deepen to 11,700'. 13-3/8" and 8-5/8" casing is in place

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 R.M. Williams Title Agent Date January 28, 1970

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

PH 12 56
JAN 29 1970
OFFICE OF THE
REGISTERED PROFESSIONAL ENGINEER
AND LAND SURVEYOR

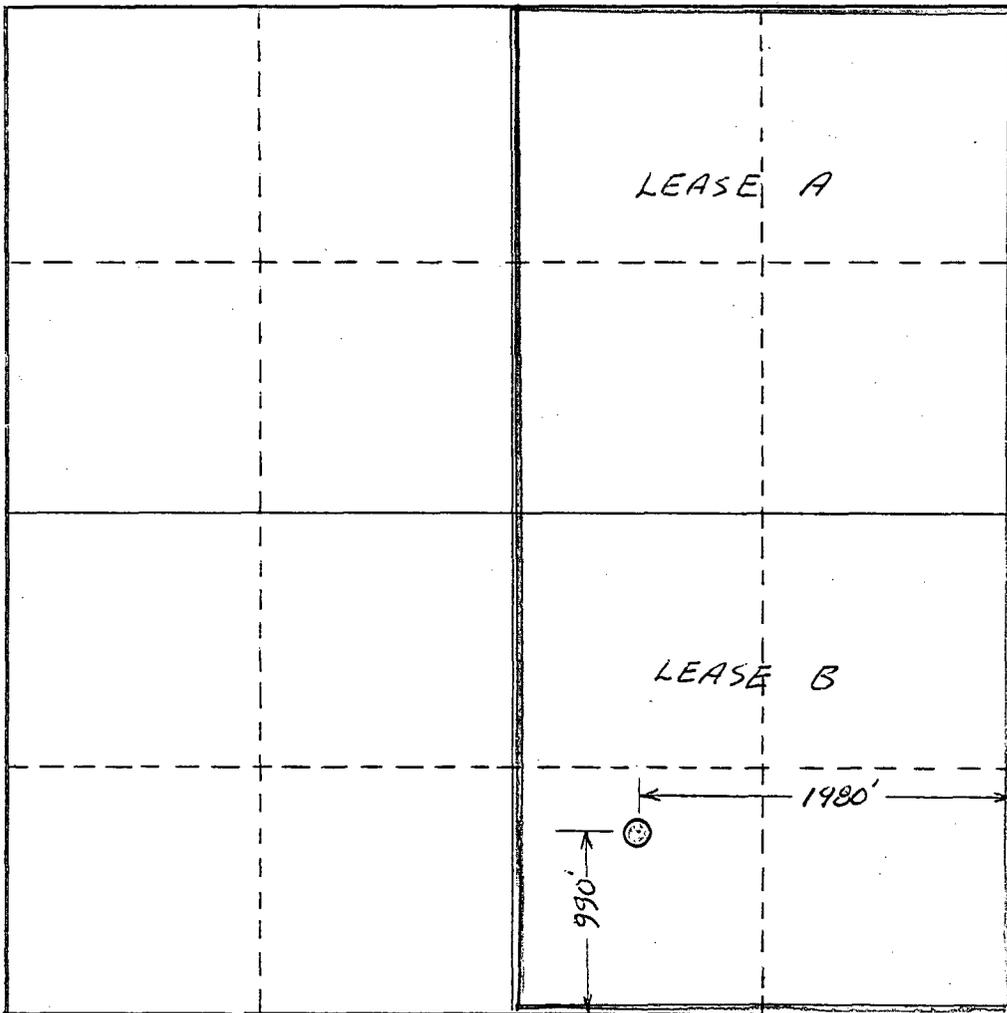
Operator Morris R. Antweil		Lease Missouri-New Mexico Land Co			Well No. 1
Unit Letter 0	Section 6	Township 23-S	Range 27-E	County Eddy	
Actual Footage Location of Well: 990 feet from the south line and 1980 feet from the east line					
Ground Level Elev: 3198	Producing Formation Atoka-Morrow	Pool Undesignated	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). See reverse side
3. 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 royalty interest must be consolidated

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

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.

R. M. Williams

Name
R. M. Williams

Position
Agent

Company
Morris R. Antweil

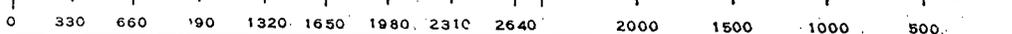
Date
1/28/70

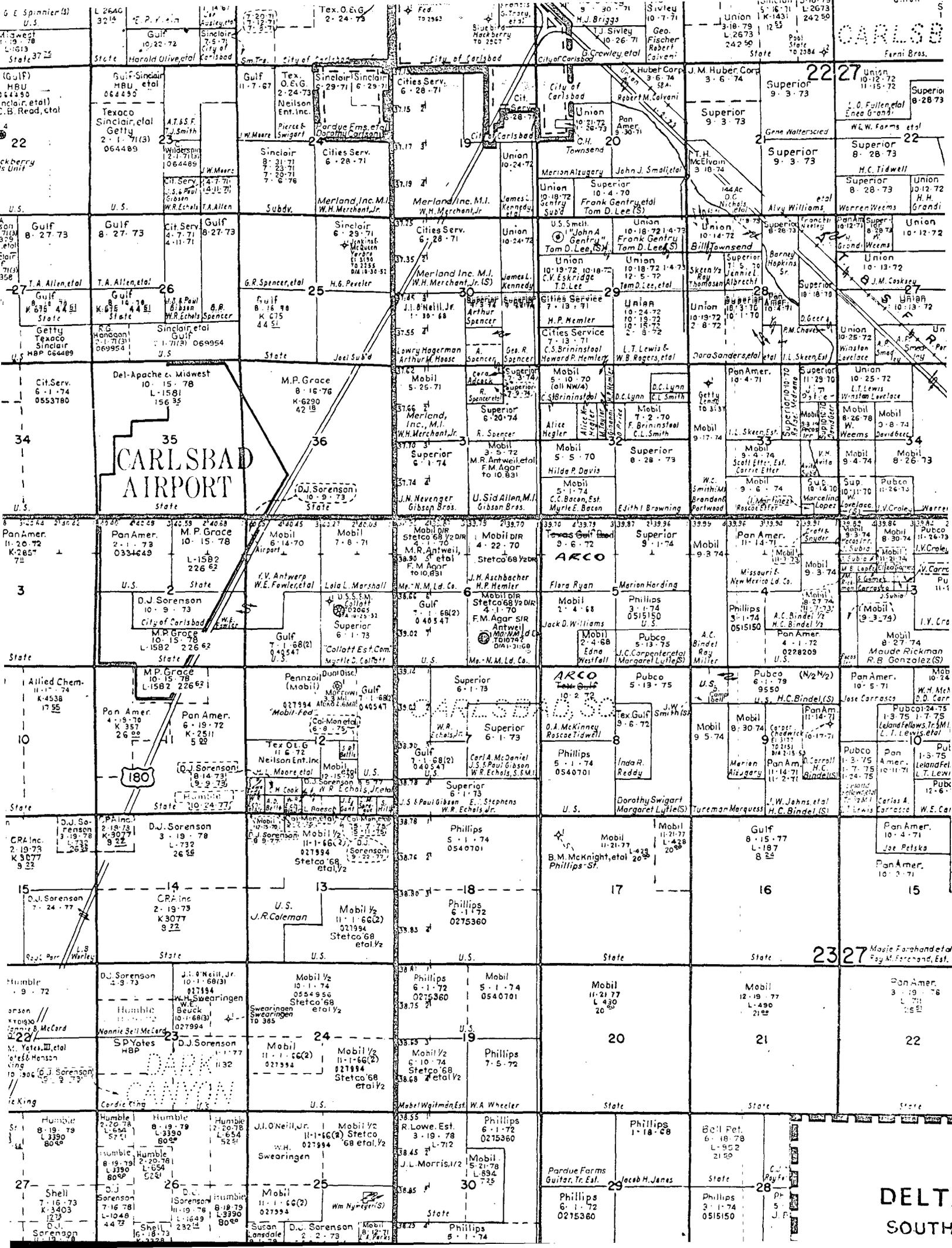
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.





CARLSBAD
Fanni Bros.

CARLSBAD
AIRPORT
State

ARCO

ARCO

180

CARLSBAD

CARLSBAD

DELT
SOUTH

YMA

MORRIS R. ANTWEIL
OIL OPERATOR
P. O. Box 2010
HOBBS, NEW MEXICO 88240

February 6, 1970

RECEIVED
OCC
FEB 9 9 20 AM '70

Re: Application for Administrative
Approval of Unorthodox Gas
Well Location,
Eddy County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. George M. Hatch

Gentlemen:

In response to our telephone conversation regarding the application of Morris R. Antweil for an exception to the well location requirements to permit the re-entry of No. 1 Missouri-New Mexico Land Company, I am enclosing copies of the following waivers of objection to the proposed re-entry:

- 1.) Telegram from Superior Oil Company, ✓
- 2.) Letter from Atlantic Richfield Company, ✓
- 3.) Letter from Gulf Oil Company, ✓
- 4.) Farmout Agreement from Mobil Oil Corporation, ✓
- 5.) Farmout Agreement from Pennzoil United, Inc. ✓

I trust the enclosed will complete your requirements for our application. Please contact us if anything further is required.

Very truly yours,

MORRIS R. ANTWEIL, Oil Operator

R M Williams
R. M. Williams



Telegram

KA014 NSA247

(1207).

NS MDA056 DJ COLLECT=MIDLAND TEX 6 1155A CST=

MORRIS R ANTWEIL =

1970 FEB 6 PM 12 20

PH 393 4111 HOBBS NMEX=

THIS IS TO ADVISE THAT THE SUPERIOR OIL HAS NO
OBJECTIONS TO MORRIS R ANTWEIL RE-ENTERING THEIR NUMBER
ONE MISSOURI NEW MEXICO LAND CO LOCATED 990 FS AND L
AND 1980 FEL 6-23S-27E EDDY COUNTY=

THE SUPERIOR OIL COMPANY D H COLLINGS JR DIST ENGR=

New Mexico - Arizona District

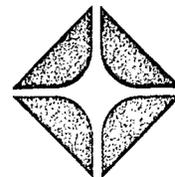
Post Office Box 1978

Roswell, New Mexico 88201

Telephone 505 622 4041

W. P. Tomlinson

District Engineer



January 2, 1970

Cal-Mon Oil Company

P. O. Box 3275

Midland, Texas 79701

Attention: Mr. Robert L. Monaghan

Re: Re-entry of Antweil No. 1

1980' FEL and 990' FSL

Section 6, T-23-S, R-27-E

Eddy County, New Mexico

Dear Sir:

Your letter concerning re-entry of the subject well was passed to me by Mr. Jack Biard. As we understand your plans, you will make a re-entry to a depth of 11,600' or sufficient to test the Morrow formation. Atlantic Richfield Company has no objection to this proposal.

Yours very truly,

W. P. Tomlinson

WPT:jcb

Gulf Oil Company-U.S.

EXPLORATION AND PRODUCTION DEPARTMENT
ROSWELL DISTRICT

P. O. Drawer 1938
Roswell, New Mexico 88201

T. W. Kidd
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
P. E. Wyche
DISTRICT EXPLORATION
MANAGER
H. A. Rankin
DISTRICT SERVICES MANAGER

January 8, 1970

Cal-Mon Oil Company
304 South Marienfeld
Midland, Texas 79701

Attention: Mr. Robert L. Monaghan

Re: South Carlsbad Area
Section 6-23S-27E
Eddy County, New Mexico

Gentlemen:

Gulf Oil Company-U.S. does not object to the re-entering and drilling to test the Morrow formation of the abandoned well in the SW/4 SE/4 of Section 6-23S-27E, Eddy County, New Mexico. Neither does it object the assigning of the E/2 of said Section 6 as the proration unit for this well.

Yours very truly,



M. I. Taylor

JLH:mrd



Mobil Oil Corporation

January 30 FEB 9 1970

MAIL OFFICE 000
'70 FEB 9 AM 8 20

P.O. BOX 820
ROSWELL, NEW MEXICO 88201

Mr. Morris R. Antweil
P. O. Box 2010
Hobbs, New Mexico 88240

Dear Sir:

FARMOUT AGREEMENT COVERING
SE $\frac{1}{4}$ SECTION 31, TOWNSHIP 22 SOUTH,
RANGE 27 EAST, N.M.P.M.
E $\frac{1}{2}$ SECTION 6, TOWNSHIP 23 SOUTH,
RANGE 27 EAST, N.M.P.M.
ALL IN EDDY COUNTY, NEW MEXICO
(NM-3861, NM-3863 AND NM-3868 A & B)

In consideration of the mutual covenants of the parties hereinafter set forth, and for other valuable consideration received, Mobil Oil Corporation ("Mobil") and you agree as follows:

1.

If, but only if, you (a) re-enter on or before February 20, 1970, a well drilled as the Morris R. Antweil #1 Missouri-New Mexico Land Company located 990' FSL and 1980' FEL of Section 6, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, (b) deepen said well from its present depth to a depth sufficient to test, to Mobil's complete satisfaction the Morrow formation at an approximate depth of 11,650 feet below the surface of the ground, (c) complete said well as a producer of oil or gas in paying quantities within a reasonable time (not later than 45 days), (d) comply fully with provisions of Paragraph K (and the subparagraphs thereunder) of Exhibit "A" hereto with respect to such well, and (e) are not in default with respect to any other covenant or obligation hereunder, Mobil shall assign you, as limited by depths therein, rights owned by Mobil in and to the oil and gas leasehold estate created by the leases identified on Exhibit "A", subject to the exceptions, reservations, conditions and other provisions hereinafter set forth.

2.

If you timely and properly commence drilling deeper operations in the test well provided in Paragraph 1 but mechanical difficulties or granite or other practically impenetrable substances are encountered before the above stated objective depth is reached, you shall have the right, within ten (10) days after cessation of operations, to commence, or cause to be commenced, the drilling of a substitute well at a legal location of your choice in the SE $\frac{1}{4}$ of said Section 6, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and if you drill, test and complete such substitute well in accordance with all requirements for the test well, set forth hereinabove, and if you complete

Mobil Oil Corporation

Morris R. Antweil

Page 2

P.O. BOX 820
ROSWELL, NEW MEXICO 88201
January 30, 1970

such substitute well not later than 60 days from date of commencement of drilling of said substitute well, then it shall be considered that you have complied with the provisions of this Paragraph for the test well.

If you comply with all the terms set forth in the immediately preceding Paragraph with respect to the test well, Mobil agrees to assign you, without warranty of title, either express or implied, the rights owned by Mobil in the leases identified on Exhibit "A" subject to depth limitations stipulated therein for each lease subject to this agreement.

3.

In any assignment made by Mobil pursuant to the terms of this agreement (the land included therein, as to the formations or depths covered thereby, being hereinafter called the "assigned premises"), Mobil shall except therefrom and reserve to itself, its successors and assigns, the following:

a. An overriding royalty, free and clear of all costs of development and operation and all other costs whatsoever (except any gross production taxes, severance taxes or other taxes of a similar nature applicable to said overriding royalty) of $1/8$ of $7/8$ ths ($7/64$ ths) of all of the oil and gas (including all liquid and gaseous hydrocarbons) which may be produced and saved from the assigned premises, less any required and used for ordinary operating purposes thereon. If such assignment covers less than a full interest in the oil and gas leasehold estate in the assigned premises, then such overriding royalty shall be proportionately reduced. Said overriding royalty oil (including liquid hydrocarbons saved at the well) shall, at Mobil's option, be delivered free of cost to Mobil, either into its storage tanks or to its credit in the pipeline to which the well or wells on the assigned premises may be connected. Said overriding royalty on gas (including gas-well gas, casinghead gas, and all other gaseous hydrocarbons) shall be measured on the basis of the market value at the well from which produced. The overriding royalty hereby reserved shall be in addition to any and all existing overriding royalties, production payments and other burdens, if any, affecting or payable out of the oil and gas leasehold estate in the assigned premises, or any part thereof. You shall furnish Mobil complete statements, at such intervals and on such forms as Mobil may request, covering the production from the assigned premises, the measurement thereof, and amounts stored, used, delivered to pipelines and sold.

The overriding royalty reserved to Mobil in the preceding Paragraph shall be considered covenants running with the lands and leases during the life of the leases and all modifications, renewals and extensions thereof and any grant, transfer or assignment of said lands shall be subject to provisions thereof;

b. All rights and easements, with respect to the land included in such assignment, which may be necessary or convenient to Mobil in investigating,

Mobil Oil Corporation

P.O. BOX 820
ROSWELL, NEW MEXICO 88201
January 30, 1970

Morris R. Antweil

Page 3

exploring, prospecting, drilling, mining and operating for and producing, storing, transporting and owning oil, gas and all other minerals from all depths and formations not covered by such an assignment;

c. Any and all minerals, mineral rights and mineral leasehold estates in, to and under the assigned premises other than the oil and gas leasehold estate therein and rights appurtenant thereto; and

d. The right and option, at any time and from time to time, to purchase all or any part of the oil, other liquid hydrocarbons and/or gas produced and saved from the assigned premises, except any required and used for ordinary operating purposes thereon. The price or prices to be paid by Mobil therefor shall be the market price at the mouth of the well from which produced.

4.

This letter has been prepared and executed by Mobil in triplicate but shall not be binding upon Mobil unless it is also executed by you in the space provided below and two fully signed copies are returned to Mobil within ten days from the date hereof (whereupon the provisions hereof shall become covenants running with the land and be binding upon and inure to the benefit of Mobil and you and the respective heirs, devisees, legal representatives, successors and assigns of each, subject however, to the provisions of Paragraph O of Exhibit "A" attached hereto, which Exhibit is made a part hereof for all purposes as fully as if copied herein).

Yours very truly,

MOBIL OIL CORPORATION

LCW:JLPosey:jcb

By 
L. C. Williamson
Division Landman

Agreed to and accepted
this 4th day of
Feb., 1970.

THE STANDARD EXHIBIT "A"
(EXPL) (~~PL~~) IS ATTACHED
TO THIS LETTER AGREEMENT.


Morris R. Antweil

 **PENNZOIL UNITED, Inc.**

WESTERN DIVISION OFFICE • WALL TOWERS WEST - MIDLAND, TEXAS • PHONE (915) 682-7316
MAILING ADDRESS: P. O. DRAWER 828 • MIDLAND, TEXAS 79701

January 27, 1970

MAIL OFFICE 0000
FEB 9 AM 8 20

Mr. Morris R. Antweil
Box 2610
Hobbs, New Mexico 88240

Re: So. Carlsbad Area
Eddy County, New Mexico

Dear Sir:

This will evidence our agreement to assign to you all of our present right, title and interest in and to our following described leases, insofar as said leases both cover oil and gas and the following described lands, subject to the following terms and conditions:

Lease No. 17514-00
Lessor: Missouri-New Mexico Land Company
Lessee: Socony Mobil Oil Company, Inc.
Dated: April 1, 1965
INSOFAR as said lease covers:
SE/4 Section 6, T-23-S, R-27-E,
Eddy County, New Mexico

Lease No. 17515-00
Lessor: Howard P. Hemler et ux
Lessee: E. S. Grear
Dated: April 22, 1965
Lease No. 17515-01
Lessor: J. H. Aschbacher et ux
Lessee: E. G. Grear
Dated: April 22, 1965
INSOFAR as said leases cover:
Lots 1, 2 and S/2 of NE/4 Section 6,
T-23-S, R-27-E, Eddy County,
New Mexico

It is understood and agreed that within 20 days from date you will commence actual re-entry of your dry hole located in SW/4 of SE/4 Section 6, T-23-S, R-27-E, and thereafter deepen the same to a depth sufficient to adequately and conclusively test the Morrow formation at an approximate depth of 11,650 feet below the surface. In the event you encounter difficulties

Mr. Morris R. Antweil
January 27, 1970
Page No. 2

in this re-entry, you may abandon the same and within 10 days thereof commence a substitute well upon the same tract which substitute well shall be drilled under the same terms and conditions as herein provided in regard to the re-entry. Completion of the re-entry (or substitute well) as a well capable of producing oil or gas in paying quantities will earn our rights from surface to 100 feet below total depth reached in the same (or substitute well) as to the above described acreage, subject to all terms and conditions herein set out. The above noted re-entry operations shall be completed within 45 days from the date of commencement thereof.

It is understood and agreed that in re-entering or drilling any well hereunder you will comply with the terms of said oil and gas leases and with all applicable laws, rules and regulations. Nothing contained herein shall be deemed to create a partnership or joint venture between you and us, and said wells are to be drilled and completed as commercial producers, or plugged and abandoned as dry holes at no risk, liability or expense to us. You further agree to indemnify and save us harmless from any liability that might arise in connection with any operations hereunder.

You agree to keep an accurate log of each well, to drill the same in good faith effort to discover oil or gas, and to test adequately to our satisfaction all oil or gas shows encountered. You will specifically comply with all requirements set out in Exhibit "A", attached hereto and made a part hereof.

Upon our being furnished with satisfactory evidence of the completion of the re-entry or substitute well in complete accordance with the terms of this agreement, we will convey to you our interest in the above described acreage, subject to all conditions herein set out. Said assignment will be made without warranty of title, either express or implied, and will provide as to any wells later drilled on the earned zone that we have access to the same and be furnished, upon request, samples of all cores and cuttings as well as copies of all logs. Said assignments will further reserve to us 1/8 of 8/8 overriding royalty (which override shall both absorb present burdens on our lease in excess of the usual 1/8 royalty and be subject to proportionate reduction). Said 1/8 of 8/8 override shall be effective as to any renewals or extensions of leases covering the above described acreage which you might make. In the event any delay rentals or shut-in gas royalties are paid by us on the above described acreage while this letter is in force and

Mr. Morris R. Antweil
January 27, 1970
Page No. 3

effect, you shall promptly reimburse us for 100% of such payments. This provision shall not render us liable for inadvertent failure to make such payments. You shall render and pay all ad valorem taxes, if any, as to any acreage earned hereunder and all equipment appurtenant thereto. In the event oil or gas is produced by you from said land, you shall pay to the royalty owners all royalties on account thereof and shall save, hold and protect us from all liability on account of obligations accruing to the royalty owners on account of the production of oil and/or gas from said land as to the depth earned hereunder. You shall have the right and privilege at any time while not in default of any of the terms and conditions of this agreement to surrender and relinquish the same to us as to all or any portion of the lands covered by this agreement, and upon the execution and delivery to us of any such surrender or relinquishment, you shall then be relieved from liability thereafter accruing as to the land covered by such surrender or relinquishment; provided, however, you shall remain responsible for all obligations or liabilities of any kind or nature which may have accrued under the terms of said leases or this agreement as to said land up to the time of surrender or relinquishment. For all purposes of this section, written notice by registered mail shall be given to our office at 500 Wall Towers West, Midland, Texas.

You agree as to our acreage to furnish us one copy of all title opinions or division order title opinions which you might have written in regard hereto.

Failure on your part to comply with any of your obligations as herein set out shall relieve us of the obligation to make assignments hereunder.

If the foregoing correctly sets out your understanding of our agreement, please evidence your acceptance by returning within 7 days from date hereof two (2) copies of this letter with your signature affixed in the space provided. Our failure to receive accepted copies within 7 days will give us the option of cancelling this agreement, or granting you additional time

Mr. Morris R. Antweil
January 27, 1970
Page No. 4

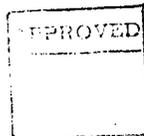
within which to accept it.

Very truly yours,

PENNZOIL UNITED, INC.

By:

John W. Higgins
Attorney-in-Fact



STETCO '68, LTD., a limited
partnership

By: PENNZOIL UNITED, INC.,
its sole General Partner

By:

John W. Higgins
Attorney-in-Fact



JAD/mlm

AGREED TO AND ACCEPTED
this 3RD day of
FEB., 1970.

Morris R. Antweil
(Morris R. Antweil) *Att in Fact*

Rose Antweil
(Rose Antweil, wife of
Morris R. Antweil) *Att in Fact*