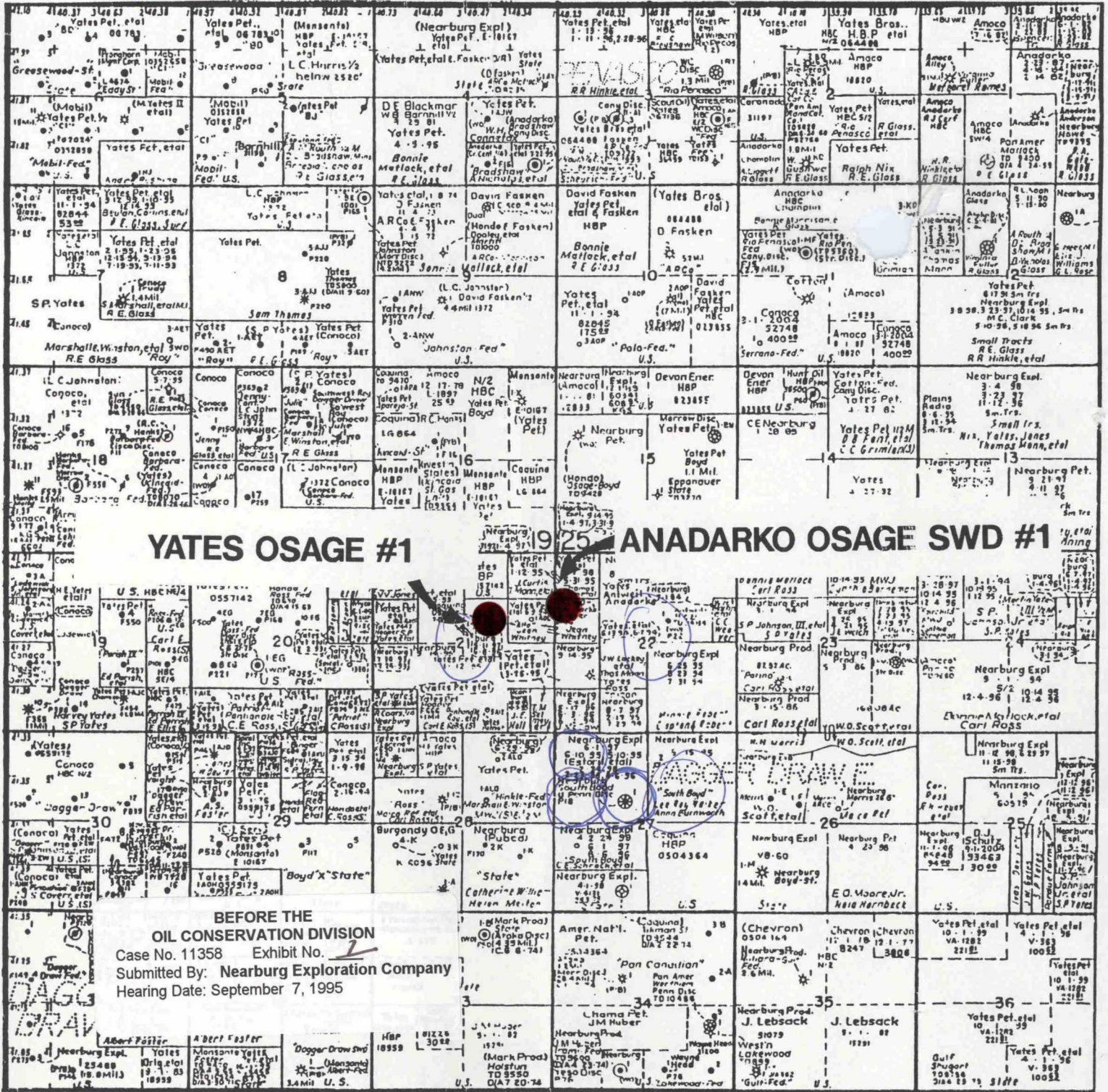
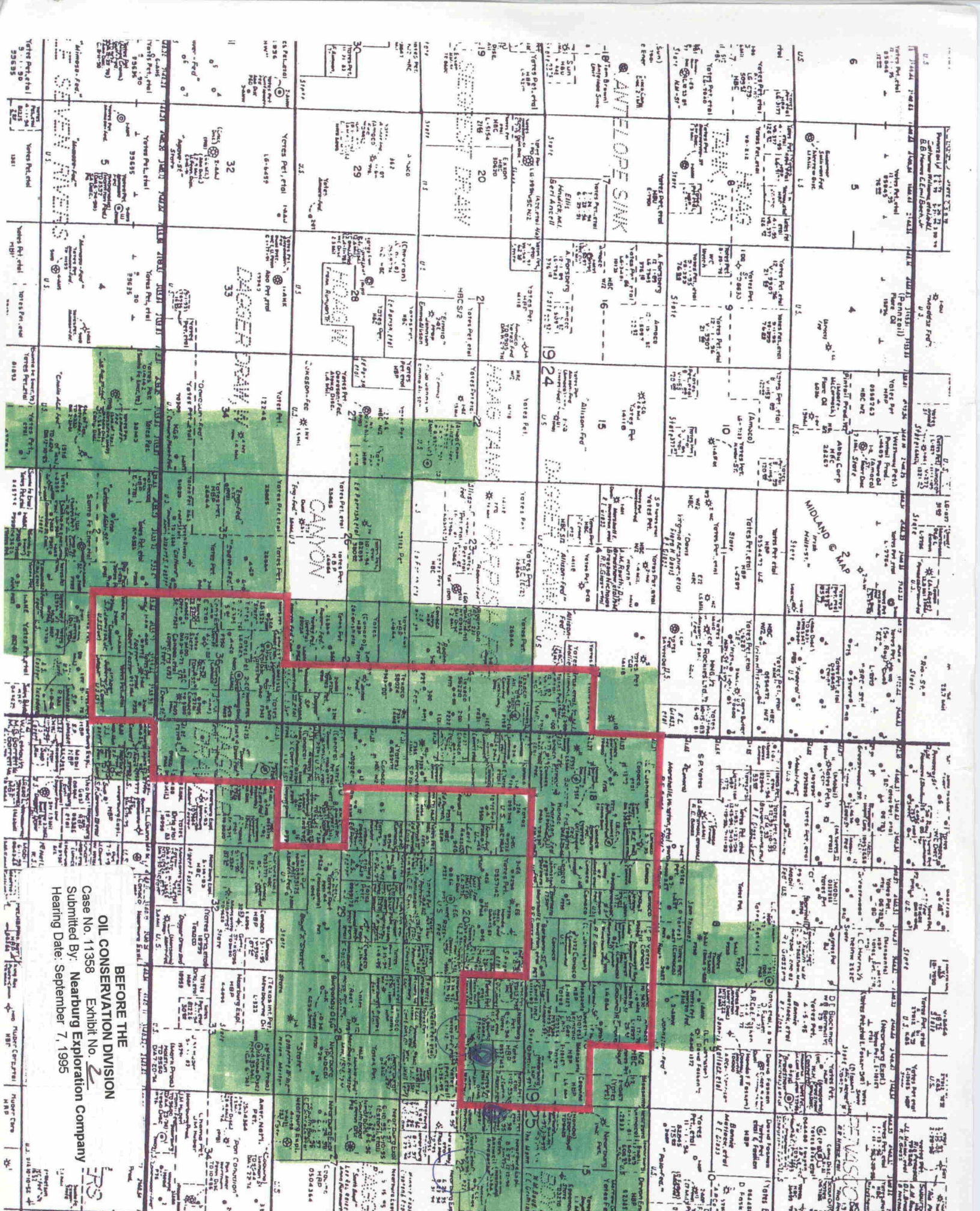


# LOCATION MAP MOTION TO CEASE INJECTION





BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 2  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

**MOTION TO  
CEASE INJECTION**

Nearburg Producing Company  
Exploration and Production  
Dallas, Texas

**POOL BOUNDARY 8/85**

**POOL BOUNDARY 7/95**

SECTION	DATE	DRAWN BY	FILE NO.

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 8234  
Order No. R-7637

APPLICATION OF ANADARKO  
PRODUCTION COMPANY FOR  
SALT WATER DISPOSAL AND  
AN UNORTHODOX WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 1, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of August, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Anadarko Production Company, seeks authority to dispose of produced salt water into the Cisco Canyon formation in the perforated interval from approximately 7800 feet to 8040 feet in its Dagger Draw SWD Well No. 1 to be located at an unorthodox location 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

(3) That the proposed disposal zone in the above well encompasses the "C" and "D" zones of the Cisco Canyon formation.

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 5  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

*Landman Witness 5,*

Order No. R 637

(4) That no commercial oil and gas production has been found in the "C" and "D" zones in the immediate area of the said proposed disposal well.

(5) That the "C" and "D" zones appear to be separated from the "A" and "B" zones by impermeable non-porous dolomite and shales.

(6) That the disposal of produced water into the proposed disposal interval will not cause the premature drowning by water of any zone capable of producing commercial quantities of oil and gas in the area of said Section 22.

(7) That approval of the application will not impair correlative rights nor cause waste.

(8) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing installed in a packer set at approximately 7800 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(9) That the applicant should be authorized to dispose of up to a maximum of 10,000 Bbls/day of salt water into the proposed disposal well.

(10) That the injection well or system should be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1560 psi.

(11) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected water from the "C" and "D" zones of the Cisco Canyon formation.

(12) That the operator should notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(13) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized to drill its Dagger Draw Salt Water Disposal Well No. 1 at an unorthodox location 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the "C" and "D" zones of the Cisco Canyon formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 7800 feet, with injection into the perforated interval from approximately 7800 feet to 8040 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1560 psi.

(3) That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the "C" and "D" zones of the Cisco Canyon formation.

(4) That the operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(6) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

\*\* 900'390d 7101 \*\*

-4-  
Case No. 8234  
Order No. R-7637

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

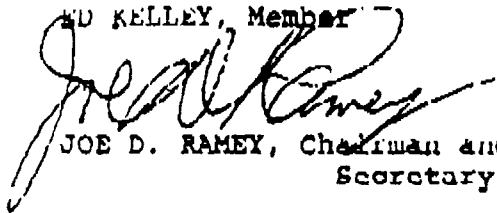
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JIM BACA, Member



ED KELLEY, Member



JOE D. RAMEY, Chairman and  
Secretary

S E A L

Ed/



## OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNORPOST OFFICE BOX 2086  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 875  
(505) 827-8800

ORDER SWD-336

## THE APPLICATION OF YATES PETROLEUM CORPORATION

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Yates Petroleum Corporation made application to the New Mexico Oil Conservation Division on February 16, 1988, for permission to complete for salt water disposal its Osage Well No. 1 located in Unit G of Section 21, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

(1) Application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;

(2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified; and

(3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701(B) will be met.

(4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, Yates Petroleum Corporation is hereby authorized to complete its Osage Well No. 1, located in Unit G of Section 21, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Canyon formation at approximately 7672 feet to approximately 7813 feet through 2 7/8 inch plastic lined tubing set in a packer located at approximately 7600 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 4  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

*Landman Witness*

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1534 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Canyon formation. Such proper showing shall consist of a valid step-rate test in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner which inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein

The operator shall submit monthly reports of the disposal operations in accordance with Rule 706 and 1120 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 3rd day of March, 1988.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY  
Director

S E A L



No. 12218

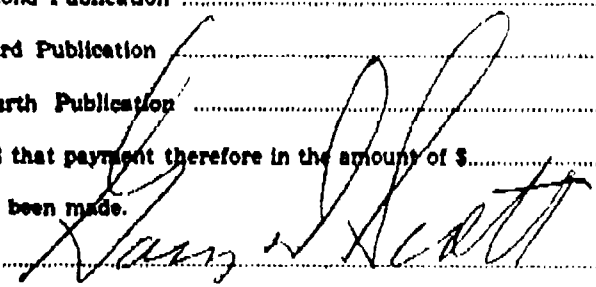
STATE OF NEW MEXICO,  
County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for 1 consecutive weeks on the same day as follows:

- First Publication February 4, 1988
- Second Publication
- Third Publication
- Fourth Publication

and that payment therefor in the amount of \$ has been made.



Subscribed and sworn to before me this 5th day of February, 1988.

*Gustavo Gomez*  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1991

**LEGAL NOTICE**

Pursuant to the New Mexico Oil Conservation Division regulations governing the injection of fluids into a formation, NOTICE is hereby given that Yates Petroleum Corporation, 207 South Fourth Street, Artesia, New Mexico, 88210, (505)748-1471, Eddie Mahood owner party, proposes to utilize the Oil Well No. 1 well for the disposal of produced water within the Charles formation (see permits 7672-7813). Subject well is located 1980 FNL, 1980 FSL of Section 21 T10N-R25E in Eddy County, New Mexico. The proposed maximum injection pressure is 2000 psi. Interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 1088, Santa Fe, New Mexico, 87501, within 15 days. Published in the Artesia Daily Press, Artesia, New Mexico, a newspaper publication in Eddy County, N.M. on February 4, 1988.  
Legal 12218

12/01/94 15:23 505 397 3998  
 District I  
 PO Box 1900, Hobbs, NM 88241-1900  
 District II  
 70 Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 Box 2088, Santa Fe, NM 87504-2088

NEARBURG PROD CO + + + NPC Midland  
 State of New Mexico  
 Energy, Minerals & Natural Resources Department

002  
 Form C-104  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 5 Copies

**OIL CONSERVATION DIVISION**  
 PO Box 2088  
 Santa Fe, NM 87504-2088

AMENDED REPORT

**I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT**

Operator name and Address Nearburg Producing Company P. O. Box 823085 Dallas, TX 75382-3085		OGRID Number 15742
		Reason for Filing Code
API Number 30-0 15-27458	Pool Name Dagger Draw North Upper Penn	Pool Code
Property Code	Property Name Ross Ranch 22	Well Number #2

**II. Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
E	22	19S	25E		1,980	North	660	West	Eddy

**Bottom Hole Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County

Lee Code P	Producing Method Code P	Gas Connection Date	C-129 Permit Number N/A	C-129 Effective Date N/A	C-129 Expiration Date N/A
---------------	----------------------------	---------------------	----------------------------	-----------------------------	------------------------------

**III. Oil and Gas Transporters**

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
22507	Texaco Trading & Transportation P. O. Box 60628 Midland, TX 79711-0628		O	Tank Battery
009171	GPM Gas Corporation 4044 Penbrook Odessa, TX 79762		G	Tank Battery

**IV. Produced Water**

POD	POD ULSTR Location and Description
-----	------------------------------------

**V. Well Completion Data**

Spud Date 10/03/94	Ready Date 11/23/94	TD 8,100'	PBTD 8,025'	Perforations 7,736' - 7,767'
Hole Size 14-3/4"	Casing & Tubing Size 9-5/8"	Depth Set 1,104'	Sacks Cement 950 sx	

**VI. Well Test Data**

Date New Oil 1-24-94	Gas Delivery Date	Test Date 12-01-94	Test Length 24 hrs	Tbg. Pressure 170	Csg. Pressure
Choke Size Open	Oil 67	Water 4,624	Gas 364	AOF	Test Method Pumping

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *E. Scott Kimbrough*  
 Printed name: E. Scott Kimbrough  
 Title: Manager of Drilling and Production  
 Date: 12/01/94 Phone: 397-4186

**OIL CONSERVATION DIVISION**  
 Approved by:  
 Title:  
 Approval Date:

\* If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

Faxed  
12/19/94

*Resler*

**Nearburg Producing Company**

Exploration and Production  
3300 North "A" Street  
Building 2, Suite 120  
Midland, Texas 79705  
915/686-8235  
Fax 915/686-7806

December 5, 1994

Mr. Tim Gum  
New Mexico Oil Conservation Division  
811 South 1st Street  
Artesia, New Mexico 88210

Re: Ross Ranch 22 #2 Well; 1980' FNL  
and 660' FWL of Section 22, T-19-S,  
R-25-E, Eddy County, New Mexico  
Ross Ranch, N. W. Prospect

Dear Mr. Gum:

Enclosed herewith please find Nearburg Producing Company's ("NPC") form C-104 (Request for Allowable and Authorization to Transport) with regard to the NPC Ross Ranch 22 #2 well located as captioned. The well was tested on December 1, 1994 at a rate of 67 BOPD, 4624 BW, and 364 MCFGPD. Please accept the enclosed as our C-104 filing. The required additional copies will be forwarded from our Hobbs, New Mexico office.

As we discussed at our November 8, 1994 meeting, the Ross Ranch 22 #2 well is offset by an Anadarko Petroleum Corporation ("Anadarko") operated salt water disposal well. As evidenced at our meeting, NPC and Yates Petroleum Corporation believe the continued injection of salt water by Anadarko into a known productive formation puts at risk, may possibly damage, or may have damaged, the ultimate oil and gas recovery of the productive formation. We believe it is a priority for the productive formation to be protected from any possible damage and NPC, as Operator, requests that the New Mexico Oil Conservation Division ("NMOCD") require Anadarko to cease its disposal operations in the Cisco/Canyon formation. If you feel the evidence is not strong enough to justify shutting in the salt water disposal well, then interference tests are clearly warranted to prove whether communication exists between the NPC and the Anadarko well.

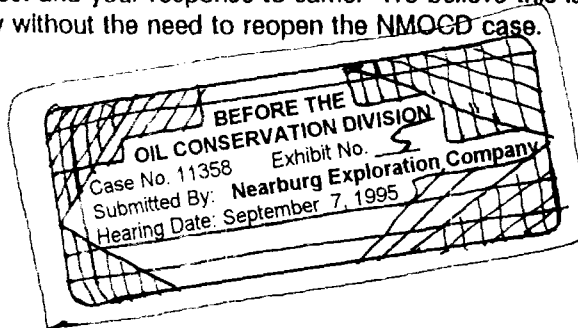
NPC would appreciate your review of our request and your response to same. We believe this issue can be addressed at the district office promptly without the need to reopen the NMOCD case.

Thank you for your cooperation.

Yours very truly,



Bob Shelton  
Consulting Landman



cc: Mr. Dave Boneau, Yates Petroleum Corporation  
Mr. Bill Carr  
Mr. Scott Kimbrough  
Ms. Wanda Tucker, Panhandle Royalty Company

ANADARKO PETROLEUM CORPORATION

60 INDEPENDENCE PLAZA • P. O. BOX 2497 • MIDLAND,

TX 79702 • (915) 882-1668 • FAX (915) 882-9371



May 5, 1995

Jackson & Walker, L. L. P.  
901 Main Street, Suite 6000  
Dallas, TX 75202-3797

Attn: Bryan C. Birkeland

Re: Request to Cease Injection  
NMOCD Order No. R-7637  
Dagger Draw SWD No. 1  
Sec. 22, T-19-S, R-25-E  
Eddy county, New Mexico

Gentlemen:

Pursuant to your certified letter No. P 072 958 284 dated April 27, 1995 requesting Anadarko Petroleum Corporation cease water disposal operations of the referenced well, Anadarko respectfully declines your request. Anadarko operates the Dagger Draw SWD No. 1 under NMOCD Order No. R-7637 dated August 23, 1984, a copy attached. The order was upheld under NMOCD Order No. R-8139 and most recently in the informal meeting with the NMOCD on November 8, 1994 in Artesia, NM. Nearburg was in attendance at that meeting. Anadarko maintains that the continued use of the subject disposal well is in accordance with Order No. R-7637 and will not constitute waste or impair correlative rights.

As a resolution to this dispute Nearburg is encouraged to purchase the Dagger Draw SWD No. 1 in the July 12, 1995 Oil & Gas Clearinghouse Auction. Contact Mike Goode in Anadarko's Houston office at 713/874-1694 to receive a copy of the auction package.

Please note your letter was addressed incorrectly delaying our response. Please address any further correspondence to me at the letterhead address, or contact me at 915/682-1444

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 6  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Miller".

Brad Miller  
Division Production Engineer

BM/jd  
Attachment

bmlackap

## PANHANDLE ROYALTY COMPANY

GRAND CENTRE - SUITE 210

8400 NW GRAND BLVD.

OKLAHOMA CITY, OK 73112-3688

PH. (405) 948-1860

FAX (405) 948-2036

July 10, 1995

Nearburg Producing Company  
3300 North "A" Street  
Building 2, Suite 120  
Midland, Texas 79705-5421

Attention: Mr. Bob Shelton

Re: SWD Wells,  
Sections 21 & 22-19S-25E  
Eddy County, New Mexico

Gentlemen:


Panhandle Royalty Company is a mineral owner in Sections 21 and 22-19S-25E and is also a working interest participant in wells drilled within Section 22. We have been made aware of continued water disposal into the Pennsylvanian age Canyon reservoir from two wells located in the NE/4 Section 21 and NW/4 Section 22. We own minerals in both quarter sections and recently also participated with those minerals as a working interest in the Nearburg-Ross Ranch #2-22 Canyon oil producer (NW Section 22). Extremely large volumes of water (approximately 4000 bbls/day) have been accompanying oil production from that well. These high volumes are considerably greater than other Canyon completions located further from the disposal wells.

We support your efforts at the Conservation Commission to have these two SWD wells shut in. Continued disposal into the Canyon reservoir within these two wells will cause further economic waste and as our produced water volumes and costs increase will prevent full development and recovery of hydrocarbons within these two 160 acre units and possibly from adjacent units.

You may utilize this letter, should you desire, at a state hearing to evidence our support of your position requesting these SWD wells immediately be shut in.

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 7  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

Sincerely

  
H. W. Peace II  
President

JAMES T. JENNINGS  
P. O. BOX 1180  
ROSWELL, NEW MEXICO 88202-1180  
(505) 622-8432

August 28, 1995

William J. Lemay, Director  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87504

Re: Case 11358 - Nearburg Application  
to Terminate Injection Operations

Dear Mr. Lemay:

As a non-operator who joined in the drilling of the Nearburg Exploration Company Ross Ranch 22 #2 well as the owner of unleased mineral interests under Section 22, Township 19 South, Range 25 East, I hereby join in Nearburg's application to terminate the injection operations described in its application.

My records do not reflect that I was ever furnished with any notice of the applications made in connection with administrative orders which were entered approving the disposal of salt water into the Canyon formation in Sections 21 and 22, Township 19 South, Range 25 East. If your records reflect that I was ever furnished with notice, please furnish me with copies of the affidavit of publication or mailing.

Yours very truly,

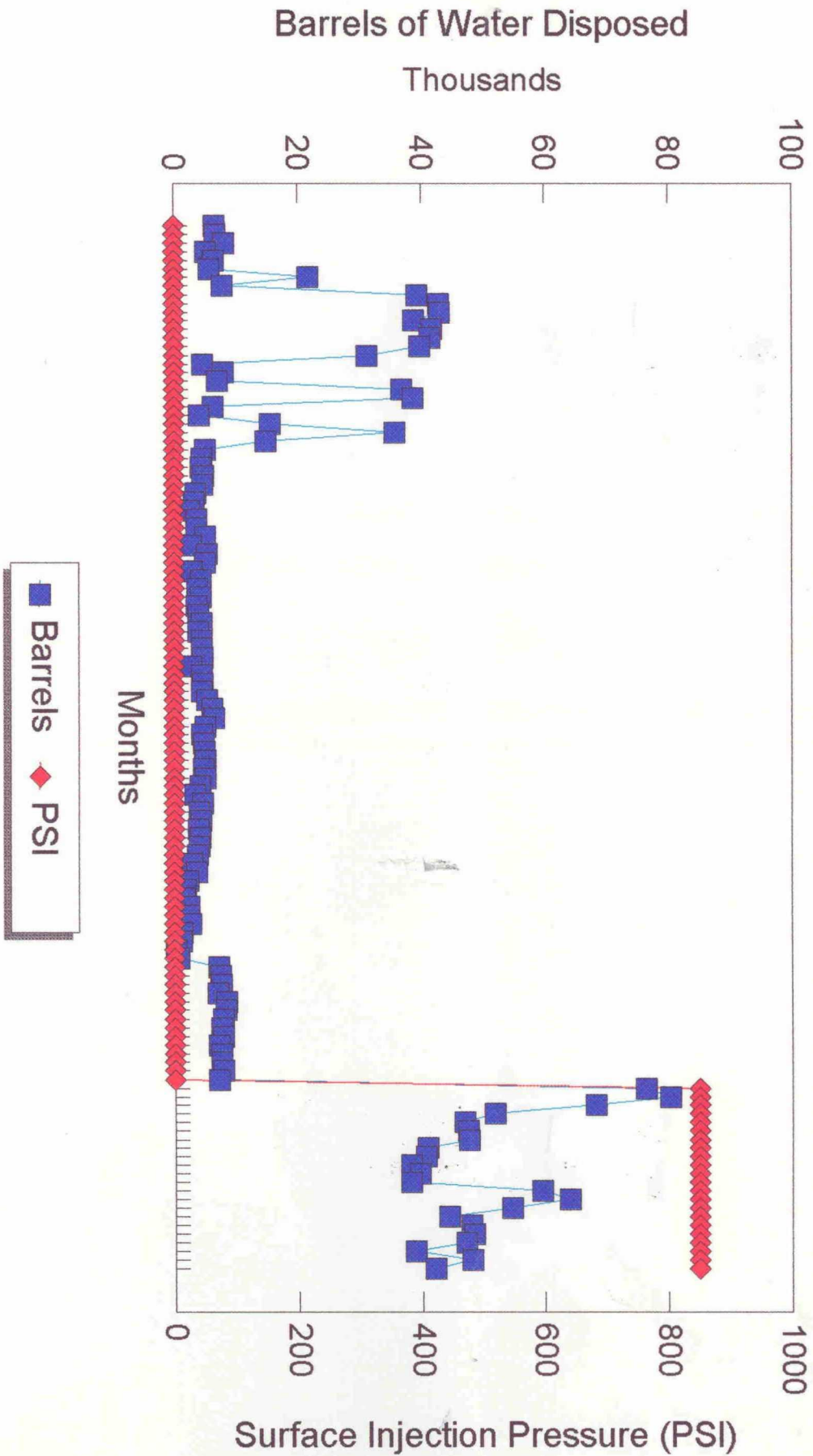
  
James T. Jennings

JTJ:pv

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 8  
Submitted By: **Nearburg Exploration Company**  
Hearing Date: September 7, 1995

# Anadarko Dagger Draw SWD #1

Historical Cisco/Canyon Injection Volumes and Pressures

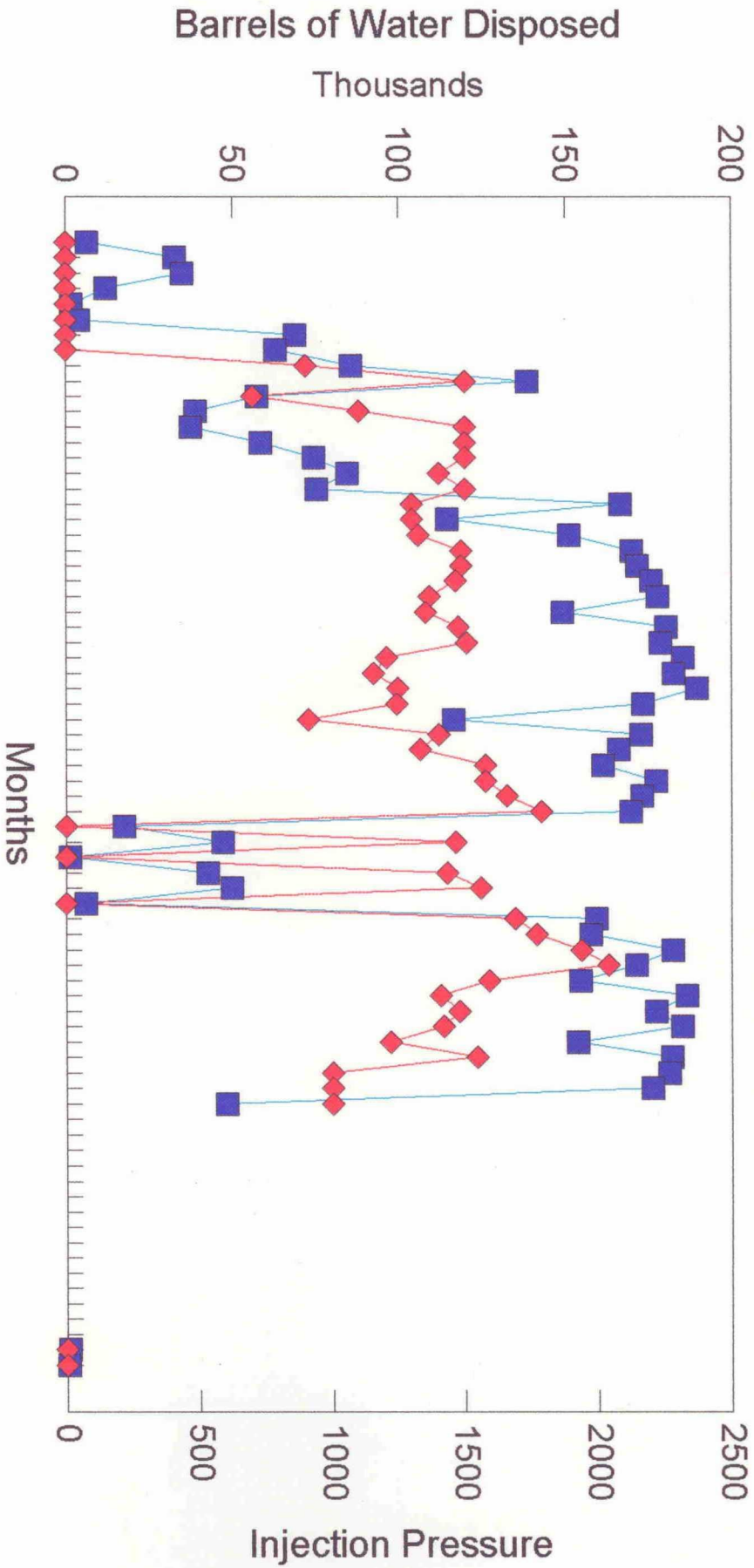


March 1985 through April 1995  
2,010,417 BW Injected in the Cisco/Canyon

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 9  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995

# Yates Osage SWD #1

Historical Cisco/Canyon Injection Volumes and Pressures



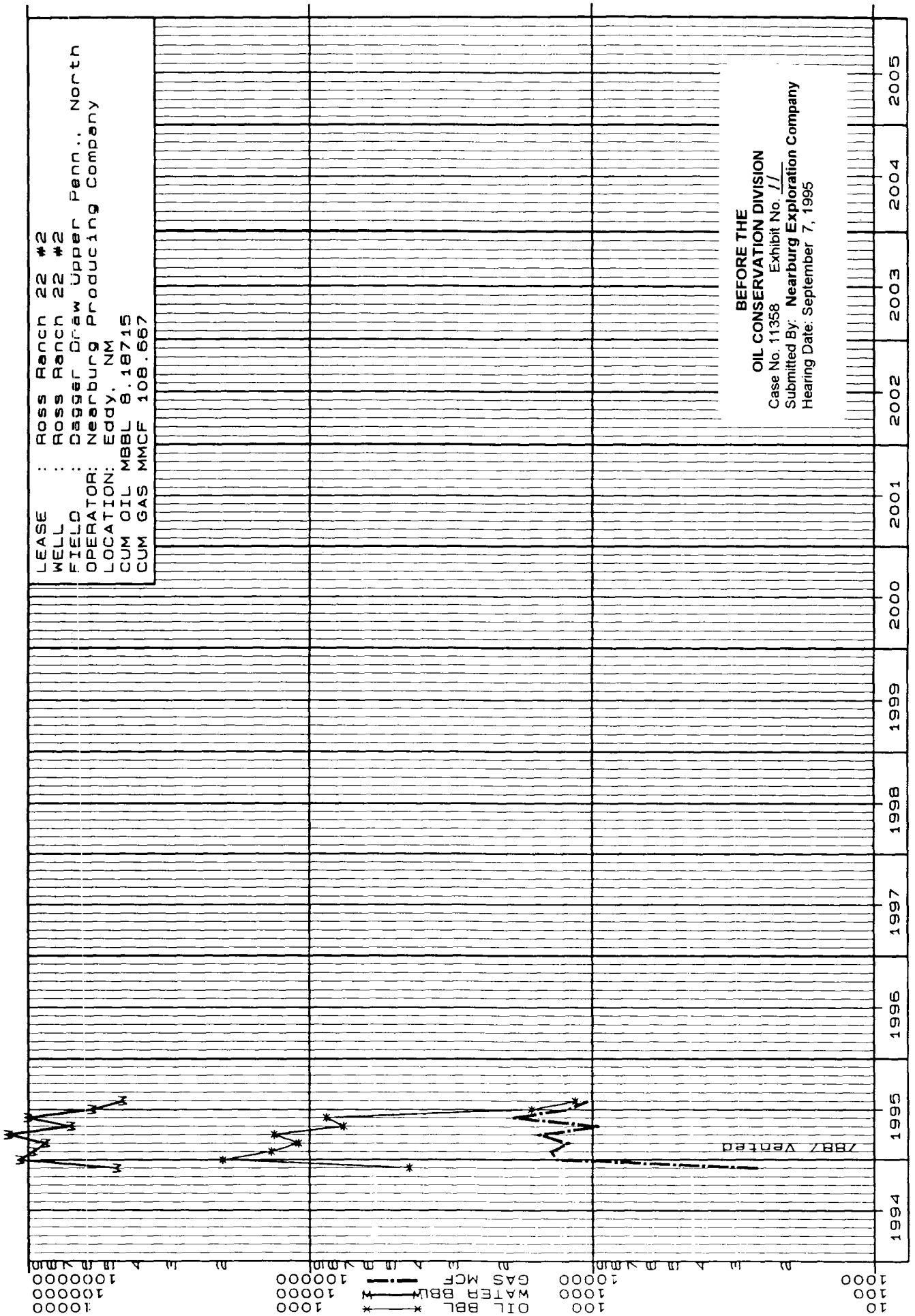
■ Barrels ◆ PSI

February 1989 through April 1995  
6,478,940 BW Injected in the Cisco/Canyon through 5/1/95

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 11358 Exhibit No. 10  
Submitted By: Nearburg Exploration Company  
Hearing Date: September 7, 1995



LEASE : Ross Ranch 22 #2  
 WELL : Ross Ranch 22 #2  
 FIELD : Dagger Draw Upper Penn., North  
 OPERATOR: Nearburg Producing Company  
 LOCATION: Eddy, NM  
 CUM OIL MBBL 8.18715  
 CUM GAS MMCF 108.667



BEFORE THE  
 OIL CONSERVATION DIVISION  
 Case No. 11358 Exhibit No. 11  
 Submitted By: Nearburg Exploration Company  
 Hearing Date: September 7, 1995

FILE: ROSSRNCH

DATA REPORT

DATE: 09-05-1995

TIME: 16:09:15

LEASE NAME: Ross Ranch 22 #2  
 WELL NAME: Ross Ranch 22 #2  
 FIELD: Dagger Draw Upper Penn., North  
 COUNTY: Eddy  
 STATE: NM  
 OPERATOR: Nearburg Producing Company  
 FORMATION: Cisco/Canyon  
 TITLE 1:  
 TITLE 2:

DATE OF 1ST PROD: 11 / 1994  
 MAJOR PHASE OIL  
 PRIOR OIL (MBBL): 0.000  
 ULTIMATE OIL (MBBL): 0.000  
 PRIOR GAS (MMCF): 0.000  
 ULTIMATE GAS (MMCF): 0.000  
 PRIOR WATER (MBBL): 0.000  
 SELECTION CODE Oil

	BEFORE	AFTER
	PAYOUT	PAYOUT
WORKING INTEREST %	100.0000	100.0000
OIL REV. INTEREST %	100.0000	100.0000
GAS REV. INTEREST %	100.0000	100.0000
PAYOUT POINT	99 / 9999	
TOP OF PREF.	0	
BOT OF PREF.	0	

MTH/YR	OIL	GAS	WATER	DAYS	COMMENT	Water	Inject	ITEM 3	ITEM 4	COMMENT
-----	BBL----	MCF----	BBL----	----	-----	-----	-----	-----	-----	-----
11/94	443.8	2587.0	48331.0	11		0	0	0.0	0.0	
12/94	2040.6	13401.0	107382.0	28		0	0	0.0	0.0	
S.TOT	2484.3	15988.0	155713.0	39		0	0	0.0	0.0	
1/95	1364.9	13966.0	95948.0	25		0	0	0.0	0.0	
2/95	1092.3	12235.0	86657.0	23	*7887 Vented	0	0	0.0	0.0	
3/95	1338.4	15433.0	118128.0	29		0	0	0.0	0.0	
4/95	756.9	9384.0	70614.0	17		0	0	0.0	0.0	
5/95	871.2	19052.0	100459.0	28		0	0	0.0	0.0	
6/95	164.3	12225.0	59423.0	19		0	0	0.0	0.0	
7/95	114.8	10384.0	46241.0	14		0	0	0.0	0.0	
S.TOT	5702.8	92679.0	577470.0	155		0	0	0.0	0.0	
TOTAL	8187.1	108667.0	733183.0	194		0	0	0.0	0.0	

## Tests Prior to Stimulation

### **Anadarko Dagger Draw SWD #1:**

Swabbed fluid down to 5,500'. Perforated 7,806'-14' with casing gun. Fluid level at 5,400' when coming out of hole. Went in hole with second gun and found FL at 4,000' and had 100# on casing. Perforated 7,830'-40'. FL at 2,300' when coming out of hole with 200# on casing. Made 3rd gun run and guns did not fire. FL at 1900' with 300# on casing. Finished perforating from 7,840'-50', 7,860'-66', 7,920'-30', and 7,980'-98'. FL at 450' with 800# on casing when finished perforating. Flowed gas off casing at approximately 30 MCFD for 2 hours with a little oil coming back with gas. SI well with 740# on casing. Next morning 840# on casing. Opened well and flowed 60 BO and 260 BW in 24 hours (19% oil cut). Well was then acidized and put in service as an injection well.

### **NPC Cisco/Canyon swab tests prior to stimulation:**

#### **Dagger Draw 31 Federal #1 (31D-T19S-R25E):**

Perforated 7,678'-7,858' with casing gun (hole loaded). Ran tubing and packer. Swabbed 4 hours (initial fluid level at 400') and recovered 50 barrels of water with a 20% oil cut and a good gas show.

6/30/95 Cumulative: 272,584 BO & 639 MMCF  
Avg Initial Production Rate: 362 BOPD; 2000 BWPD

#### **Dagger Draw 31 Federal #2 (31B-T19S-R25E):**

Perforated 7,795'-7,816' with casing gun (hole loaded). Ran tubing and packer. Swabbed 9 hours (initial fluid level at 300') and recovered 95 barrels of water. Last three hours 20% oil cut with a good gas show.

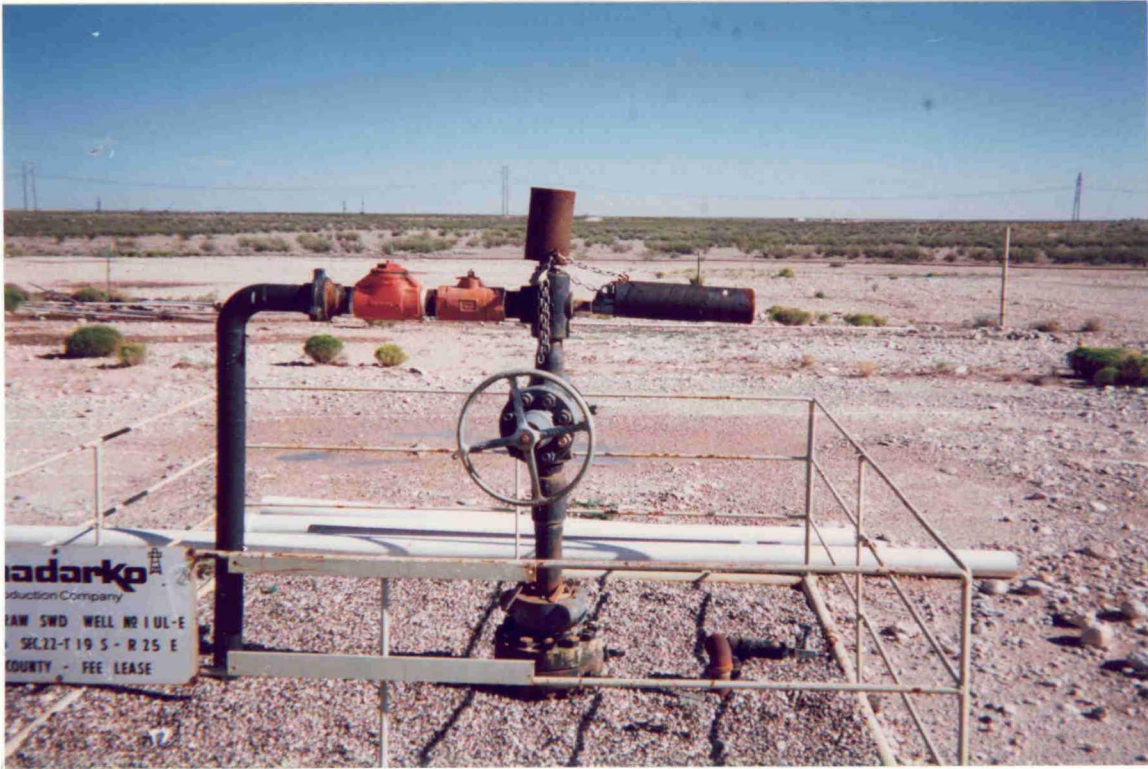
6/30/95 Cumulative: 486,381 BO & 791 MMCF  
Avg Initial Production Rate: 650 BOPD; 1700 BWPD

#### **Dagger Draw 31 Federal #4 (31E-T19S-R25E):**

Perforated 7,710'-7,810' with casing gun (hole loaded). Ran tubing and packer. Swabbed 4-1/2 hours (initial fluid level at 300') and recovered 45 barrels of water. Slight show of gas - no oil show.

6/30/95 Cumulative: 246,242 BO & 260 MMF  
Avg Initial Production Rate: 400 BOPD; 150 BWPD

**ANADARKO'S RESPONSE TO 11/94  
ARTESIA OCD MEETING**



**BEFORE THE  
OIL CONSERVATION DIVISION**  
Case No. 11358 Exhibit No. 13  
Submitted By: **Nearburg Exploration Company**  
Hearing Date: September 7, 1995

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE

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DRILLING REPORT

Page 5

Yates Petroleum - Cutter "APC" #1 (Unit P) 21-19S-25E Eddy Co., NM

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7 PM	6800'	scat	2	20%	4	strg gas, swb dry
8 PM	6800'	scat	1	20%	2.5	strong gas
9 PM	6600'	scat	1	20%	3	strong gas
10 PM	6800'	scat	1	20%	2.5	strong gas

Shut well in. Will treat and run pump on Wednesday. DC \$5967; CC \$32,655

6-7-95

SITP 1200#. Flowed 4 bbls oil - 90% oil. Made 2 swab runs. Recovered 13 bbls. Laid down swab. Rigged up Halliburton. Acidized 7813-15' with 1000 gals 20% NEFE. Avg 2 BPM @ 0 psi. Released packer. TOH. Rigged up wireline. TIH with 4" casing gun. Correlated on depth. Perf 7698-7761' with 21 - .42" holes. TOH with wireline. TIH with 7" packer and RBP. Set RBP at 7795'. Set packer at 7659'. Break perfs 2000 psi. Acidized with 2500 gals 20% NEFE and 40 balls. Avg 3 BPM @ 2000 psi. Good ball action. ISDP 0. Released packer. Run down thru perfs to knock balls off. Reset packer. Loaded annulus and tested 400#. Acidized 7698-7761' with 20,000 gals 20% NEFE gelled acid with 10 balls 1/2 way through. Avg 12 BPM @ 1200 psi. 70 psi increase with balls. ISDP 0. Start swab. Total load to recover 610 bbls.

TIME	FL	#SR	OIL	WATER	GAS/PSI
5 PM	1800'				
6 PM	2000'	4		25	
7 PM	flow		10%	35	100
8 PM	flow		10%	21	50
9 PM	2200' scat	3	10%	15	strong*
10 PM	2200' scat	3	10%	15	strong*
11 PM	2200' scat	3	10%	15	strong*
12 AM	2200' scat	3	10%	18	strong*
1 AM	2200' scat	3	10%	17	strong*
2 AM	2200' scat	3	10%	17	strong*
3 AM	2200' scat	3	10%	19	strong*
4 AM	2200' scat	3	10%	17	strong*
5 AM	2200' scat	3	10%	17	strong*
6 AM	2200' scat	3	10%	18	strong*
7 AM	2200' scat	3	10%	17	strong*

\*pull swab from 4000'.

6-8-95

Prep to run sub pump. DC \$20,718; CC \$53,373  
 Pumped 45 bbls 2% KCL down tubing. Released packer and RBP. TOH with tools. Nippled down manual BOP. Nippled up hydril BOP. Turned well to production to run sub pump. Ran pump. Pump running at 6:30 PM Wednesday. DC \$3477; CC \$56,850

6-8-95

Pumped 379 bbls oil, 736 bbls water and 315 MCF in 12 hours.

6-9-95

Pumped 1147 bbls oil, 1624 bbls water and 1139 MCF.

6-10-95

Pumped 1527 bbls oil, 1635 bbls water and 1652 MCF.

6-11-95

Pumped 1875 bbls oil, 1720 bbls water and 1701 MCF.

6-12-95

Pumped 1982 bbls oil, 1607 bbls water and 1632 MCF.

6-13-95

Pumped 1952 bbls oil, 1610 bbls water and 1469 MCF.

6-14-95

Pumped 1952 bbls oil, 1610 bbls water and 1469 MCF.

6-16-95

TD 8300'; PBDT 7840'. On a 24 hour Official Potential test taken 6-8-95 well pumped 379 BOPD, 315 MCFGPD and 736 BWPD at a GOR of 831:1, gravity 42.6 deg, through perforations 7698-7815' Canyon. WELL IS PRODUCING. FINAL REPORT



LARGE FORMAT  
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AND IS LOCATED  
IN THE NEXT FILE