

COMPARISON OF INITIAL RESERVOIR PRESSURES
FOR SCHARB, 2ND BONE SPRING CARB. & ORA JACKSON INTERVALS
(DST DATA)

DATE MO-YR	OPERATOR WELL NAME	LOCATION U-S-T-R	DATUM (GR) FT.	INTERVAL ID	PRESSURE PSIG	DEPTH FT.	BHP @ SI -5800'	TIME HRS.
8/59	Marathon St. NPA #1	L6-19S-35E	3901	Scharb 2nd B.S.C.	4430 3920	*10165 *9700	4216 3920	.5 .5
8/80	Southland Royalty Co. Scharb 4 #1	M4-19S-35E	3866	Elkan	3836	9626	3855	2.5
1/81	Southland Royalty Co. Smith 5 #1	P5-19S-35E	3850	2nd B.S.C. Ora Jackson	3778 3741	*9622 *9420	3790 3576	3.0 1.0
3/81	Southland Royalty Co. Scharb 8 #1	A8-19S-35E	3845	Scharb Elkan	4214 3800	*10099 *9647	4005 3800	3.0 3.0

* Assumed midpoint of DST interval

BEFORE EXAMINER STOGNER OIL CONSERVATION DIVISION	
<i>Amper</i>	EXHIBIT NO. <u>27</u>
CASE NO. <u>8842</u>	

SUMMARY OF DST DATA
USED FOR COMPARISON
OF INITIAL RESERVOIR PRESSURES
FOR SCHARB, 2ND BONE SPRING CARB. & ORA JACKSON INTERVALS

DATE MO/YR	OPERATOR WEIL NAME	DST INTERVAL	IHH/2nd IFP/ISIP PSIG	2nd FFP/FSIP/FHH PSIG	RECOVERY
8/59	Marathon St. NPA #1	10148'-10183'	---/440/4430	720/4160/-----	3 hrs-flowed gas, re- covered 1000' oil cut wtr. blk, 100' hvy oil gas cut mud, 30' mud, 950' oil
		9660'-9740'	---/540/3920	1120/3640/-----	2.25 hrs-recovered 1000' gas cut wtr. blk, 60' oil and gas hvy salt wtr mud, 1160' gas cut salt wtr.
8/80	Southland Royalty Scharb 4 #1	9598'-9626'	4706/1770/3830	3280/3837/4675	1 hr-recovered 125' hvy gas cut oil
1/81	Southland Royalty Smith 5 #1	9595'-9649'	5210/-----/3740	180/3778/5210	1.25 hr-recovered 100' gas cut mud, recovered oil
		9396'-9445'	5194/-----/3471	325/2313/-----	1.25 hr-flowed 340 MCFD gas (est.), 20 bbls oil
3/81	Southland Royalty Scharb 8 #1	10044'-10154'	5387/132/4195	202/4214/-----	1 hr-recovered 400' oil, 100' oil cut mud
		9622'-9672'	4961/213/3036	290/*3639/-----	1 hr-recovered 350' oil mud

* Extrapolated pressure of 3800 psi.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8848
Order No. R-8329

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR NGPA WELLHEAD PRICE
CEILING CATEGORY DETERMINATIONS,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 12, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 29th day of October, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Amoco Production Company, seeks a determination by the Division that the following three wells in Township 19 South, Range 35 East, NMPM, Scharb-Bone Spring Pool, Lea County, New Mexico, meet the NGPA well category criteria for New Onshore Reservoir under Section 102, Category 4, of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission:

- A) Elkan Well No. 3 located 1980 feet from the South and East lines (Unit J) of Section 9;
- B) Elkan Well No. 4 located 519 feet from the South line and 2121 feet from the West line (Unit N) of Section 9; and,
- C) State "MX" Well No. 1 located 660 feet from the North line and 710 feet from the West line (Unit D) of Section 15.

(3) The Scharb-Bone Spring Pool was created by Division Order No. R-2201, effective April 1, 1962, with the vertical limits to include all of the Bone Spring formation.

(4) Between the time this pool was created and July, 1980, all of the wells designated to this pool were producing from the lower portion of the formation known as the Scharb zone.

(5) In July, 1980, the Southland Scharb 4 Well No. 1, located in the SW/4 SW/4 of Section 4, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, was completed in the upper portion of the Bone Spring formation known as the Elkan zone.

(6) The combined geological and engineering data presented at the time of the hearing indicates that the upper portion of the Bone Spring formation underlying said pool is isolated from the lower portion of said formation and should therefore be considered a new reservoir for NGPA purposes only.

(7) The subject wells in this case are each completed in the Elkan zone of the Scharb-Bone Spring Pool and the completed intervals correspond to the completed interval of the Southland Scharb 4 Well No. 1 as described in Finding Paragraph No. (5) above.

(8) The subject wells should therefore be approved for NGPA Section 102 Wellhead Pricing.

IT IS THEREFORE ORDERED THAT:

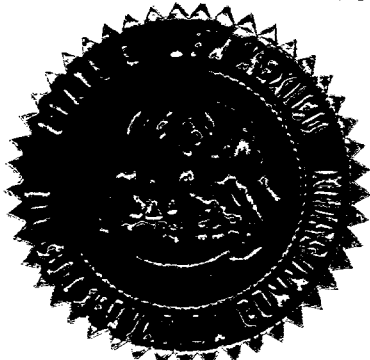
(1) The following three Amoco Production Company wells in Township 19 South, Range 35 East, NMPM, Scharb-Bone Spring Pool, Lea County, New Mexico, are completed in a new onshore reservoir as defined by the Natural Gas Pricing Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission:

- A) Elkan Well No. 3 located 1980 feet from the South and East lines (Unit J) of Section 9;
- B) Elkan Well No. 4 located 519 feet from the South line and 2121 feet from the West line (Unit N) of Section 9; and,

- C) State "MX" Well No. 1 located 660 feet from the North line and 710 feet from the West line (Unit D) of Section 15.

(2) 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 the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS
Director

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