

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

NM 1605

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

None

8. FARM OR LEASE NAME

~~None~~ Federal 31

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLM. AND
SURVEY OR AREA

Sec. 31, T21N, R1W

12. COUNTY OR PARISH

Sandoval

13. STATE

New Mexico

SUNDRY NOTICES AND REPORTS ON WELLS

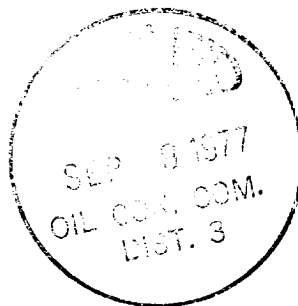
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> Exploration	
2. NAME OF OPERATOR Nanco, Inc.	
3. ADDRESS OF OPERATOR 611 Philtower Building, Tulsa, Oklahoma 74103	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE ⁴ NW ⁴ of Section 31, Township 21 North, Range 1 West, Sandoval County, New Mexico	
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6868.78 G.L.

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Work was commenced on June 30, 1977, at the above referred to location, to drill a well sufficient in depth to test the Pictured Cliffs Sandstone. The Pictured Cliffs was encountered on August 2 and found to be a water-bearing formation. Electric logs and drilling company reports are attached hereto setting forth complete drilling and well analysis. We have requested and have been given verbal permission by U.S.G.S. Office in Durango, Colorado (Mr. Long), and by the BLM Office in Albuquerque (Mr. Whitney) to proceed with operating attempts to complete a water well at this location, which we may use for our company's area operating necessities and/or give the well to the City of Cuba as a supplemental water supply well.



18. I hereby certify that the foregoing is true and correct

SIGNED E. ClevelandTITLE Pres.DATE Aug. 8, 1977

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

RECEIVED
DATE _____

SEP 1 1977

LEON'S DRILLING COMPANY
BOX 361
CUBA, NEW MEXICO 87013

August 8, 1977

Re: Drilling Contract Services to
Nanco, Inc., NE⁴NW⁴ Sec. 31,
Twp. 21N, Rge. 1W
Sandoval County, New Mexico

Mr. E. Alex Phillips
Nanco, Inc.
611 Philtower Building
Tulsa, Oklahoma 74103

Dear Mr. Phillips:

We executed a drilling contract with your company on June 22, 1977, and agreed to drill a shallow well exploration test sufficient in depth to test the Pictured Cliffs horizon at approximately 650 feet. We moved our drilling equipment to the specified location on June 30, at which time drilling operations were commenced and thereafter continued, on daylight tours of duty, to a total depth of 620 feet on August 3, 1977.

Enclosed herewith is our daily log and drilling report with pertinent notations regarding our work at your drillsite. We have reviewed this information with you and your agent, Ronald Sorrow, and feel that the drilling resume, set forth as Exhibit "A" and attached hereto, is an accurate account of our work at your 31A location.

Very truly yours,


Leon Messer

Enc.

EXHIBIT "A"

DRILLING RECORD NANCO, INC. 31A

June 29 Moved rig to location, awaiting Federal drilling clearance from Bureau of Land Management and United States Geological Survey.

June 30 Drilling clearance was given by BLM and USGS. Drilling operations were commenced at around 6:00 p.m. Since no mud or reserve pits had been dug, the well was drilled by air to a total depth of approximately 10 feet on this date.

July 1 Dug mud pits, reserve pits, cleaned location and drilled an additional 10 to 20 feet total depth.

July 2, 3 and 4 - Down for weekend and holiday.

July 5 Drilled from 20 to 40 feet; encountered granite boulders and tough drilling.

July 6 Drilled from 40 to 52 feet, through continual mass of granite boulders.

July 7 Drilled from 52 to 95 feet - continued hard drilling and boulder problems.

July 8 Ran 90 feet of 8-5/8" surface casing and cemented same with 105 sacks of cement.

July 9, 10, 11, 12 and 13 - Down time waiting on repair parts and pump replacement.

July 14 Resume drilling operations; 30 feet of cement backfill in surface casing. Drilled to 100 feet.

July 15 Deviation test at 90 feet - 1° slope; drilled ahead to 140 feet.

July 16 Continued drilling to 220 feet.

July 17 Continued drilling to 310 feet.

July 18 Continued drilling to 375 feet; Deviation test 1-1/2°.

July 20-21 Rigged and set new pump; attached manual blow-out preventer.

July 22 Continued drilling to 400 feet.
July 23-24 Weekend - no drilling operations.
July 25 Continued drilling to 470 feet.
July 26 Continued drilling to 526 feet.
July 27, 28 and 29 - Down time; family funeral services.
July 30-31 Weekend - no operations.
August 1 Continued drilling to 566 feet.
August 2 Continued drilling to 620 feet. Deviation test - $1-1/2^{\circ}$ at 605'.
August 3 Logging well; standby for further orders.

The well is currently being swabbed and will have slotted 5 1/2" casing set as a water string sometime this month.