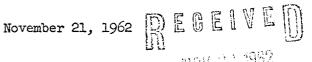


HOUSTON 1, TEXAS P. O. BOX 1249



U.S. DEGLOCICAL SURVEY FALL CTOR, NEW MERICO

United States Department of Interior Geological Survey Post Office Box 959 Farmington, New Mexico

Attention: Mr. P. T. McGrath, District Engineer

Gentlemen:

We refer to your letter of October 2, 1962, concerning Standard Oil Company of Texas' Intex 5 Well No. 1, SE/4 NE/4, Section 5, Township 26 North, Range 1 East, N.M.P.M., Puerto Chiquito Field, Rio Arriba County, New Mexico, in which you state that it will be necessary to clean out to total depth and plug back with cement.

As the pertinent records will reflect, total depth of the Intex 5 No. 1 well is 2780 feet; seven-inch O.D. production casing is cemented at 753 feet; and 4-1/2 inch O.D. uncemented liner is landed at plugged back total depth, 2553 feet, top of cavings. The 4-1/2 inch liner was equipped with open hole packers at 1795 feet and 2470 feet to facilitate selective stimulation by separating the lower zone, 2470 feet to 2553 feet (Sanastee, comparable to the producing interval in the Intex No. 1 Bajo, one mile southeast offset) and the higher zone, 1810 feet to 1891 feet (Gallup, comparable to the producing interval in the Intex No. 1 Alto, one-fourth mile northwest offset). Although no cement plug was applied before running the liner, it has been our experience that the existence of such substantial cavings will effectively prevent the migration of fluids in the well bore.

It is believed that the completion of Standard's Intex 5 No. 1 well was accomplished in a reasonable manner, in view of the difficulties involved. The following reasons are submitted in support of this contention:

- 1. The Intex 5 No. 1 well was potentialed for 35 barrels of oil per day on September 14, 1962, but a gas-oil ratio test on November 3, 1962, reflected a decline to 23 barrels of oil per day.
- 2. It is the consensus that contact with mud, water, cement, or other foreign fluids is detrimental to the productivity of the formation encountered in this well; and plugging back with cement would almost necessarily damage the Greenhorn and Graneros zones, which have not

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been excluded as possible productive horizons. Further, the presently producing intervals would be endangered by even the most cautious plugging procedure.

- 3. An expenditure of several thousand dollars would be required to clean out and plug back the well at this time, and several months' production would be consumed in payout at current producing rates, disregarding possible further decline or possible damage.
- 4. While drilling with air through the Greenhorn and Graneros intervals, no increase in fluid entry was encountered.
- 5. No water production has been experienced from Intex 5 No. 1 well.

In view of the foregoing, we feel that chances of loss of recoverable oil due to the mechanical condition of the well bore are minimal and that efforts to correct the situation might definitely decrease recovery, resulting in physical, as well as economic, waste.

Accordingly, we respectfully request your reconsideration of this matter. In the event that you are unable to approve the present status of the well, it is requested that a deferment of the plugging operation be granted inasmuch as further experience may dictate abandonment of the well or a completion attempt in the Greenhorn or Graneros intervals.

Yours very truly,

CM Acquarkel

C. N. Segnar Chief Engineer

GEG: ja