Form 3160-5
(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

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.)

RECEIVED
APR 11 1986
BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

1. OIL WELL [XX] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: CHAMPLIN PETROLEUM COMPANY

3. ADDRESS OF OPERATOR: 420 Henry Ford Ave, Wilmington, CA. 90744

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: NWSE (1980' FSL & 1980' FEL)

5. LEASE DESIGNATION AND SERIAL NO.: NM 22592

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA

7. UNIT AGREEMENT NAME: NA

8. FARM OR LEASE NAME: Federal 33-29

9. WELL NO.: #1

10. FIELD AND POOL, OR WILDCAT: Bisti-Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec 29-T25N-R11W

14. PERMIT NO.: Approved 8-15-84

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 6488' GR, 6498' KB

12. COUNTY OR PARISH: San Juan

13. STATE: New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			
(Other) To Vent/Flare Gas (NTL-4A)			[XX]	(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.)*

Champlin Petroleum Company requests approval to vent/flare associated oil well gas from the subject Lease pursuant to NTL-4A, Section IV-B "Venting and Flaring Oil Well Gas."

Based on the latest production test on February 12, 1986, the subject well is producing an average of 13 BOPD, 5 BWPD and 15 MCFD. Approximately 6 MCFD is used on the Lease for fuel, releasing 9 MCFD to flare.

Enclosed as attachments "A", "B" and "C" are engineering evaluation and economic data to demonstrate that expenditures necessary to market or beneficially use such gas are uneconomical and that required conservation of the gas could result in premature abandonment of recoverable oil reserves.

RECEIVED
APR 16 1986
OIL CON. DIV.
DIST. 3

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

SIGNED P. M. McKinney TITLE Petroleum Engineer DATE 4/7/86

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Until 4/15/87

AREA MANAGER
FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side

NMOCC

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ATTACHMENT A

BACKGROUND

Production at the #1 Federal 33-29 occurs in the Lower Gallup Sand. Due to the fact that the well experienced a casing failure in 1985 and was off production for approximately four months, decline curve analysis prior to the casing problem was used to estimate reserves.

Recent test data and other pertinent well information are shown below:

	#1 Federal 33-29
Production Period	24 hours
Test Date	2/12/86
Oil Rate	13 BOPD
Gas Rate	15 MCFD
GOR	1154 SCF/Bbl.
Drilling and Completion Cost	$556 M
Estimated Remaining Oil Reserves	41.4 MBO
Estimated Remaining Gas Reserves	47.8 MMCF
Champlin W.I.	.50
Champlin R.I.	.4125

ATTACHMENT B

CHAMPLIN PETROLEUM COMPANY
#1 FEDERAL 33-29
SAN JUAN COUNTY, NEW MEXICO

Evaluation for Feasibility of Marketing Gas

It is determined that there is no current economically feasible alternative to venting the gas at the #1 Federal 33-29. A brief discussion of the alternatives and economics of each is presented as follows:

1. Gas Sales Via Pipeline:

   Champlin has contacted the nearest gas purchasers, El Paso Natural Gas and Northwest Pipeline, to again look at the feasibility of a gas connection. Both parties state that they are no longer negotiating additional gas sales contracts in the San Juan Basin at the present time. Also, they indicate that even if this situation changes, the #1 Federal 33-29 does not have a sufficient reserve base to justify the construction expense of approximately 3-4 miles of pipeline to connect to the nearest system.

2. Installation of a Small Gas Plant to Strip Liquids:

   This type of Plant would cost ± $300,000. Reserves from the #1 Federal 33-29 are insufficient to cover initial costs and increased operating expenses could affect premature abandonment. In addition, there would still be measurable gas to vent.

In conclusion, there is no reasonable alternative to venting our produced gas at the present time. Champlin will, however, continue to investigate alternatives as they arise.

P. M. McKinney

PMM:yr

ATTACHMENT C

CenrefLabs Century Refining Company

GAS ANALYSIS

ANALYSIS NO.: C85NG1241 II PA-60
COMPANY: CHAMPLIN PETROLEUM
CYLINDER NO.: SS-78 8
DESCRIPTION:
WELL NAME: #1 FEDERAL 33-29 BISTI FIELD LOCATION: SEC. 29-25N-11W
COUNTY: SAN JUAN STATE: NM SAMPLED FROM: SEPARATOR OUTLET
PERF. FROM: TO: ZONE: MS#:
FIELD DETERMINATIONS: SAMPLE PRESS (PSIG): 55 SPEC. GRAVITY: .944
AMBIENT TEMP (F): SAMPLE TEMP (F): 130
REQUESTED BY: G. WILDER SAMPLED BY:

DATE RECEIVED: MAY 2, 1985
DATE RUN: MAY 8, 1985
DATE SAMPLED: APRIL 30, 1985

CHROMATOGRAPH METHOD

COMPONENT	MOL%	G.P.M.*
HELIUM	0.03	
HYDROGEN	0.00	
OXYGEN/ARGON	0.04	
CARBON DIOXIDE	0.38	
NITROGEN	1.56	
METHANE	58.87	
ETHANE	16.73	4.450
PROPANE	14.72	4.034
I-BUTANE	1.57	0.510
N-BUTANE	4.11	1.288
I-PENTANE	0.77	0.279
N-PENTANE	0.72	0.259
HEXANES-PLUS	0.50	0.215
TOTAL	100.00	11.035

* CALCULATED VALUE BASED ON IDEAL GAS VALUES FROM LATEST G.P.A. PUB. 2145 @ 60F AND 14.65 PSIA.

** CALCULATED VALUE USING METHOD FROM G.P.A. PUB. 2172 AND LATEST GAS VALUES FROM 2145.

** GROSS HEATING VALUE PER CU.FT.@ 60F & 30 IN.HG SAT.	1516.2	BTU
** GROSS HEATING VALUE PER CU.FT.@ 60F & 30 IN.HG DRY	1543.0	BTU
** NET HEATING VALUE PER CU.FT.@ 60F & 30 IN.HG SAT.	1382.7	BTU
** NET HEATING VALUE PER CU.FT.@ 60F & 30 IN.HG DRY	1407.1	BTU
** SPECIFIC GRAVITY (AIR = 1.00)	0.9165	

REMARKS: O.N. 40096

ACCOUNT NUMBER:
INVOICE: Champlin Petroleum Company

ChPCo-Englewood(GWilder)
CRC

John C Birchard ANALYST
ADDRESS INQUIRIES TO LABORATORY MANAGER

Executive Offices: P.O. Box 1197, Kansas City, Missouri 64141
Mid-Continent Area: R.R. 2 Box 119, Liberal, Kansas 67901 • (316) 624-4292
Rocky Mountain Area: P.O. Box 68, Brighton, Colorado 80601 • (303) 659-0497