

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 29, 1990

RECEIVED
JUN 4 1990
OIL CON. DIV.,
DIST. 3

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-2804

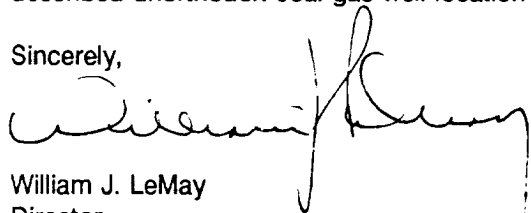
Dear Ms. Bradfield:

Reference is made to your application dated May 7, 1990 for a non-standard Basin-Fruitland coal gas well location for your existing Simms Federal Well No. 2 which was drilled in 1981 and completed in the East Blanco Pictured Cliffs Extension Area at a standard gas well location 1120 feet from the South line and 1850 feet from the East line (Unit O) of Section 11, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, is unorthodox. Further, the E/2 equivalent of said Section 11 shall be dedicated to the well forming a standard 320-acre, more or less, gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

WAVE



COMM

WAVE COMM

8.780



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

Date: 5-16-90

Oil Conservation Division
 P.O. Box 2088
 Santa Fe, NM 87504-2088

Re: Proposed MC _____
 Proposed DHC _____
 Proposed NSL X _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PMX _____

Gentlemen:

I have examined the application dated 5-8-90
 for the Southland Royalty Co. - SIMMS FEDERAL #2
 Operator Lease & Well No.

0-11-30N-4W and my recommendations are as follows:
 Unit, S-T-R

Approve

Yours truly,

Eric Bush

MERIDIAN OIL

REVISED

May 7, 1990

Certified Mail

Mr. William LeMay
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87503

RECEIVED
MAY 08 1990
OIL CON. DIV.
DIST. 3

RE: Simms Federal #2
1120'FSL, 1850'FEL
Section 11, T-30-N, R-04-W
Rio Arriba County, New Mexico

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Pool.

Meridian Oil intends to plugback and recomplete the Simms Federal #2 well from the Pictured Cliffs pool to the Basin Fruitland Coal Pool. The current location of this well is 1120'FSL, 1850'FEL, Section 11, T-30-N, R-04-W, Rio Arriba County, New Mexico. The well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal Pool. To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,



Peggy Bradfield
encl.

WAIVER

_____ hereby waives objection to Meridian Oil Inc.'s application for a non-standard location for their Simms Federal #2 as proposed above.

By: _____ Date: _____

xc: Bayless Drilling Company

RECEIVED
MAY 19 1964

MAIL ROOM
MAY 19 1964

Submit to Appropriate District Office
 State Leases - 4 copies
 Fee Leases - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Denver OD, Artesia, NM 88210

DISTRICT III
 1000 Rio Rancho Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

Operator Southland Royalty Company			Lease Simms Federal	(Fee)	Well No. 2
Unit Lease 0	Section 11	Township 30 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 1120 feet from the South line and 1850 feet from the East line					
Ground level Elev. 6911'	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or machine marks on the plat below.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 - If more than one lease of different ownership is dedicated to the well, have the interest of all owners been considered by communication, force-pooling, etc.?

Yes No If answer is "yes" type of communication communization agreement will be obtained
- If answer is "no" list the owners and their descriptions which have recently been communicated. (Use reverse side of this form if necessary.)
- No alterations will be accepted to the well until all interests have been considered (by communication, insurance, force-pooling, or otherwise) or until a non-consent suit, eliminating such interest, has been approved by the Division.

*Note: Not re-surveyed prepared from plat Sept. 28, 1981
 Fred B. Kerr Jr.

RECEIVED
 APR 23 1990

OIL CON. DIV.
 DIST. 3

RECEIVED
 MAY 08 1990

OIL CON. DIV.
 DIST. 3

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Peggy Bradfield
 Printed Name
Regulatory Affairs
 Position
Southland Royalty
 Company

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes and actual surveys made by me or under supervision, and that the same is true, correct to the best of my knowledge and belief.

Date Surveyed
4-19-90

Signature
 Professional



Contract
Neale Edwards



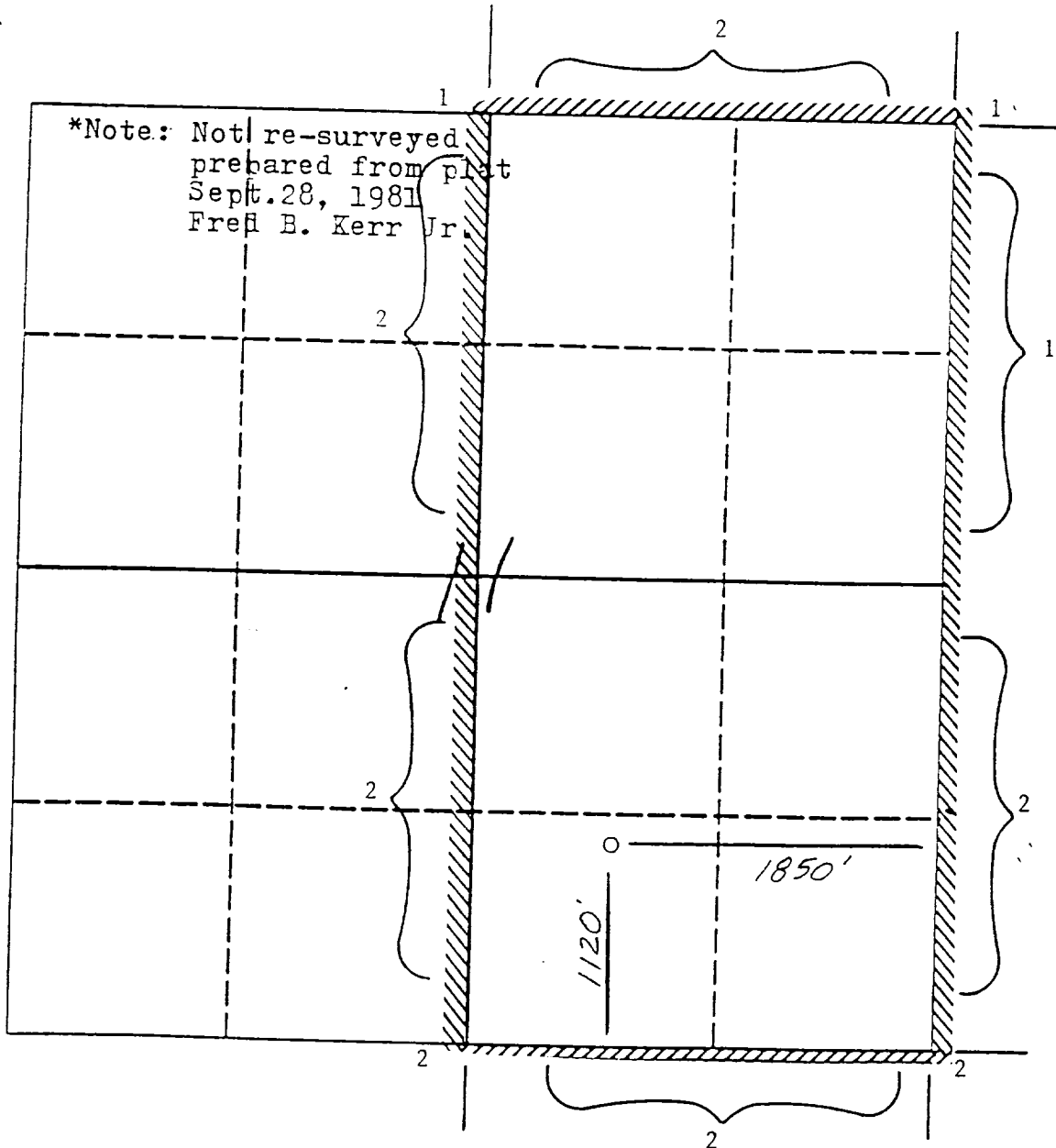
SOUTHLAND ROYALTY CO

Well Name Simms Federal #2

Footage 1120' FSL; 1850' FEL

APPLICATION FOR NON-STANDARD LOCATION

County Rio Arriba State New Mexico Section 11 Township 30N Range 4W




Remarks 1) Southland Royalty Company
2) Southland Royalty Company and Bayless Drilling Company

Simms Federal #2
1120'FSL, 1850'FEL
Section 11, T-30-N, R-04-W
Rio Arriba County, New Mexico

I hereby certify that the following offset owners/operators have been mailed notification of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

Bayless Drilling Company
P.O. Box 2669
Farmington, NM 87499



Peggy Bradford
May 7, 1990

Rio Arriba County
State of New Mexico

My commission expires August 17, 1992

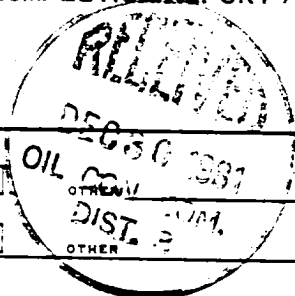
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LAND OFFICE	
OPERATOR	

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.



14. TYPE OF WELL

15. TYPE OF COMPLETION
 OIL WELL GAS WELL DRY
 NEW WELL WORK OVER DEEPEN
 PLUG BACK DIFF. RESVR. OTHER

7. Unit Agreement Name

8. Farm or Lease Name
Simms Federal

9. Well No.
2

1. Name of Operator
Southland Royalty Company

3. Address of Operator
P. O. Drawer 570, Farmington, New Mexico 87499-0570

4. Location of Well

10. Field and Pool, or Wildcat
E. Blanco Pictured Cliffs Ext

UNIT LETTER *0* LOCATED *1120* FEET FROM THE *South* LINE AND *1850* FEET FROM

THE *East* LINE OF SEC. *11* TWP. *30N* RGE. *4W* NMPM

12. County
Rio Arriba

13. Date Spudded *10/26/81* 16. Date T.D. Reached *10/30/81* 17. Date Compl. (Ready to Prod.) *11/23/81* 18. Elevations (DF, RKB, RT, GR, etc.) *6911' GL* 19. Elev. Casinghead

20. Total Depth *4050'* 21. Plug Back T.D. *4007'* 22. If Multiple Compl., How Many

23. Intervals Drilled By
Rotary Tools *0-4050'* Cable Tools

24. Producing interval(s), of this completion - Top, Bottom, Name
3689'-3952' (Pictured Cliffs)

25. Was Directional Survey Made
Deviation

26. Type Electric and Other Logs Run
IEL, GR-FDC/CNL, GR-CCL/CBL

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<i>8-5/8"</i>	<i>24#</i>	<i>239'</i>	<i>12-1/4"</i>	<i>170 sacks</i>	
<i>4-1/2"</i>	<i>10.5#</i>	<i>4050'</i>	<i>7-7/8"</i>	<i>245 sacks</i>	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
<i>----</i>	<i>----</i>	<i>----</i>	<i>----</i>	

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
<i>1-1/2"</i>	<i>3907'</i>	<i>----</i>

31. Perforation Record (Interval, size and number)
Pictured Cliffs: Total of 18 holes
3689', 3694', 3702', 3708', 3714', 3720', 3726', 3732', 3737', 3742', 3747', 3752', 3824', 3904', 3915', 3926', 3944', 3952'.

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
<i>3689'-3952'</i>	<i>Frac'd with 98,600 gals water and 92,000# of 20/40 sand</i>

33. PRODUCTION

Date First Production Production Method (*Flowing*, gas lift, pumping - Size and type pump) Well Status (*Shut-in* Prod. or Shut-in)

Date of Test *12/02/81* Hours Tested *3* Choke Size *3/4"* Prod'n. For Test Period *Flowing*

Oil - Bbl. Gas - MCF Water - Bbl. Gas-Oil Ratio

Flow Tubing Press. *105* Casing Pressure *565* Calculated 24-Hour Rate *1644* Oil Gravity - API (Corr.)

34. Disposition of Gas (*Sold*, used for fuel, vented, etc.) Test Witnessed By *Richard Lopez*

35. List of Attachments

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED *[Signature]* TITLE *District Prod Manager* DATE *12/22/81*