

submitted in lieu of Form 3160-5

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well  
GAS

2. Name of Operator  
MERIDIAN OIL

3. Address & Phone No. of Operator  
PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M  
790'FSL, 845'FWL, Sec.9, T-30-N, R-6-W, NMPM

5. Lease Number  
NM-03384

6. If Indian, All. or  
Tribe Name

7. Unit Agreement Name

San Juan 30-6 Unit  
8. Well Name & Number  
San Juan 30-6 U #405  
9. API Well No.  
30-039-24589  
10. Field and Pool  
Basin Fruitland Coal  
11. County and State  
Rio Arriba Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment

Type of Action

☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other -  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut off  
☐ Conversion to Injection

13. Describe Proposed or Completed Operations

It is intended to remove the plugged liner from the subject well according to the attached procedure.

RECEIVED  
JAN 23 1995  
OIL CON. DIV.  
DIST. 3

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

Signed [Signature] (JCG7) Title Regulatory Affairs Date 1/9/95

(This space for Federal or State Office use)

APPROVED BY \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

CONDITION OF APPROVAL, if any:

APPROVED

JAN 13 1995

ACTING MANAGER

NMOCD

**MERIDIAN OIL**

# Memorandum

**To: Area 7 Team**

**Date:** **January 3, 1995**

**From: J.C. Gwaltney**

**Location:** Farmington, NM

**Subject: San Juan 30-6 Unit #405  
Fruitland Coal  
Removing Plugged Liner**

I recommend to approve the AFE for \$43,925 to remove the plugged liner and install a progressive cavity pump (PCP) in the San Juan 30-6 Unit #405. The #405, a Fruitland Coal well, is currently producing 151 Mcf/d. This work is estimated to uplift the well's production to 1860 Mcf/d and 30 BW/d. The cost of the uplift is \$0.15/Mcf. The cost to install the pump is \$34.1M gross with \$1.4M/month to maintain the pump. This maintenance cost includes monthly maintenance such as lubricating and replacing oil along with an anticipated yearly maintenance of pulling the stator to remove coal fines.

Given that this well produced below its potential for 10 months, the near wellbore area has become water saturated and artificial lift will be required to remove the water. The shut in bottom hole pressure recorded in July 1993 was 653 psi. At this low bottom hole pressure in static conditions, the well is unable to lift 1508 ft or 8.7 bbls of water. Adding a PCP will keep the well from loading up with water and maintain gas production. In April 1994, the liner was pulled in the San Juan 30-6 Unit #419 and a PCP was necessary to return the well to production. Pre workover the #419 was producing nothing and currently is producing 1500 Mcf/d and 30 BW/d. From this past experience, we anticipate that a PCP will be needed for successful results

The liner is considered to be plugged for the following reasons. The #405 had consistently produced above 2000 Mcf/d. The production began to decline in the middle of 1993, taking a drastic 1000 Mcf/d drop in production in February, 1994. Comparing production plots with the #419, a successful pulled liner, the #405 looks very similar. Another indicator is the well's lack of response to changes in line pressure. Wells that are only logged off with water are very sensitive to changes in line pressure and will respond favorably to small reductions in line pressure. The #405 has produced consistently at 150 Mcf/d despite swings in line pressure since March. Given these reasons, the liner is considered plugged.

The reserves recovered by the workover were calculated using past production data to anticipate a post workover rate and then applying the Trend 2 model or a 15% decline. The incremental case is 3429.3 MMcf gross and 893.9 net reserves. The possibility of success used was 90% with 10% being the risk of completely losing the well.

## Economic Summary

<b>GWI (%)</b>	<b>18.66</b>
<b>NRI (%)</b>	<b>26.07</b>
<b>ROR (%)</b>	<b>100.0</b>
<b>P/I (\$/\$)</b>	<b>12.19</b>
<b>Discounted NPV (M\$)</b>	<b>535.6</b>
<b>Net Investment (M\$)</b>	<b>43.93</b>
<b>Net Added Reserves (MMcf)</b>	<b>893.9</b>

**Pertinent Data Sheet** - San Juan 30-6 Unit #405

**Location:** 790' FSL, 845' FWL, Section 9, T-30-N R-6-W, Rio Arriba County, NM

**Field:** Basin Fruitland Coal

**Elevation:** 6275' GL

**TD:** 3093'

**GWl:** 22.3612%

**NRI:** 29.14522%

**Completion Date :** 12-22-89

**DP Number:** 4393A

**Initial Potential:** MCF/D

**Casing Record:**

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight &amp; Grade</u>	<u>Depth Set</u>	<u>Cement</u>	<u>Top/Cement</u>
12-1/4"	9-5/8"	40# N-80	224'	189 cf	Surface
8-3/4"	7"	23# K-55	2957'	879 cf	Surface

**Liner Record:**

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight &amp; Grade</u>	<u>Depth Set</u>	<u>Cement</u>	<u>Top/Cement</u>
6-1/4"	5-1/2"	23# P-110	2883-3091'	NONE	N/A

**Tubing Record:**

<u>Tubing Size</u>	<u>Weight &amp; Grade</u>	<u>Depth Set</u>
2-7/8"	6.5# J-55	3052' (99 jts)

SN @ 3020'

<u>Formation Tops:</u>		
Ojo Alamo		2179'
Kirtland		2395'
Fruitland		2760'

**Logging Record:**

NONE

**Stimulation:**

Pre- Drilled Liner 2970' - 3090'

**Workover History:**

NONE

<u>Production History:</u>	Initial Deliverability:	1863	MCFD	108	BWPD
	Latest Deliverability:	247	MCFD	1	BWPD

**Transporter:** MOI