



P. O. BOX 1058
BLOOMFIELD, N. M. 87413
505-632-3392

RECEIVED

SEP 13 1986

OIL CON. DIV.)
DIST. 3

September 17, 1986

Invoice # D 4263

New Mexico Oil Conservation Commission
District III Office
1000 Rio Brazos
Aztec, New Mexico 87410

LOCATION: Palmer #1

Contract # 8-75-06

08/27/86 Start looking for Palmer #1, did not use heavy equipment. Used metal detector and gas detector. Using visual aids, old ariel photographs to help in locating old well site.

08/28/86 Continue to look for old well site. Using metal and gas detectors.

08/29/86 Continue to look for old well site. Found well with use of gas detector. Moved backhoe in and dug around well casing.

08/30/86 Drove to location, cut off top of old 12 3/4" casing and weld on 7' piece of 8 5/8" casing. Cover hole and shut down.

09/09/86 Move rig on location and rig up. Picked up swivel and drill 30', wood, sand and shale. Mix mud, circulate hole and shut down.

09/10/86 Drove to location. Go in hole, start drilling, plug at 65'. Drill plug to 93', pipe fell free, set swivel back and pick up 11 joints of tubing. Tagged another plug, drill out 10', wash and drill, pushing something down hole at 640'. Plugged bit, pull out of hole, clean out bit sub and one joint of tubing. Trip back to bottom. Drilled 1 joint down 672'. Stuck pipe inside 8 5/8" casing at surface, wood log and other smaller pieces of wood packed off around tubing. Shut down.

09/11/86 Drove to location, work one joint of tubing out of hole, bit plugged. Put on reamer and reamed hole in wooden plug at surface, pipe came free, pulled out of hole, unplugged bit. Trip back in hole to 670', wash and circulate, mix mud and condition hole. Shale to large to reverse up. Trip out of hole to run notched collar. Shut down.

09/12/86 Drove to location, serviced rig. Go in hole with notched collar, to 600'. Mix mud and condition hole. Pump reverse down back side of tubing, getting back large chunks of shale. Drill and wash 70' to bottom. Shale fragments to large to bring to surface. Shale fragments 3" long, 2" wide, keep plugging bit. Oil and Gas representatives decide to spot cement plug. Mix and spot 150 sacks Class C 3% calcium chlorides cement plug at 672', pull out of hole. Shut down.



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LOCATION: Palmer #1

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09/15/86 Drove to location, go in hole and tag cement plug at 360'. Pull out of hole and perforate 4 holes at 150'. Run 5 joints to 155', mix and circulate 110 sacks Class C 3% calcium chlorides cement to surface, shut well in and squeeze 20 sacks cement in to perforations at 150' under 300LB.psi. Pull tubing and rig down, move equipment off location.

09/17/86 Drove to lcoation, unload backhoe, dig around wellhead, cut off 8 5/8" casing. Install dry hole marker. Back drag location, fill in pit and leave location as close to original as possible.

AS PER BID-----	\$21,763.00
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5.25% NM Tax-----	<u>1,142.55</u>
Total-----	\$22,905.55
Less Discount	\$22,125.04

THANK YOU.