

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
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 location. Use "APPLICATION FOR PERMIT—" for such proposals.)

RECEIVED
AUG 27 1986

5. LEASE DESIGNATION AND SERIAL NO. SF-080724-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A

7. UNIT AGREEMENT NAME N/A

8. FARM OR LEASE NAME ZACHRY

9. WELL NO. 51

10. FIELD AND POOL, OR WILDCAT Armenta Gal/Blanco MV

11. SEC., T., R., M., OR BLK. AND SURVEY OF AREA Section 35-T29N-R10W

12. COUNTY OR PARISH San Juan 13. STATE NM

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR Union Texas Petroleum

3. ADDRESS OF OPERATOR 375 U.S. Highway 64, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface 812' FSL & 573' FWL

14. PERMIT NO. _____ 15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5717' GL

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input checked="" type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	(Other) _____

(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.)*

Union Texas Petroleum desires to recomplete this well in the Mesaverde and downhole commingle production with the Gallup. The completion procedure will be pursuant to our Sundry Notice of 1/25/86 (attached). In addition, attached please find a copy of Administrative Order NSL-2231 (Unorthodox Location Approval), C-102 and Administrative Order No. DHC-597 (Downhole Commingle Authority). We anticipate starting this procedure September 8, 1986.

RECEIVED
SEP 02 1986
OIL CON. DIV.
DIST. 3

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

SIGNED Robert G. Frank TITLE Permit Coordinator DATE 8/26/86

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

APPROVED

AUG 28 1986

John Skellern
AREA MANAGER

*See Instructions on Reverse Side
NMIUCC

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.)

5. LEASE DESIGNATION AND SERIAL NO.
SF-080724-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Zachry

9. WELL NO.
51

10. FIELD AND POOL, OR WILDCAT
Armenta GP/Blanco MV

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 35, T29N-R10W NMPM

12. COUNTY OR PARISH
San Juan

13. STATE
NM

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
UNION TEXAS PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR
375 U.S. Highway 64, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

812' FSL & 573' FWL

RECEIVED

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)

JAN 27 1986

5717' GR

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

BUREAU OF LAND MANAGEMENT ATTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRAC. AC TREAT	<input type="checkbox"/>	FRAC. TREATMENT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	(Other)	<input type="checkbox"/>
REPAIR CASING	<input type="checkbox"/>	FULL OR ALTER CASING	<input type="checkbox"/>
REPAIR PLUG	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
REPAIR VALVE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANE	<input type="checkbox"/>
(Other) Downhole Commingle	<input checked="" type="checkbox"/>		

(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 and next to this work.)

It is proposed to downhole commingle the existing Gallup zone with the Mesaverde zone in this well in order to recover additional hydrocarbons and prevent waste.

Procedure:

- MIRUSU.
- TOOH with 2-3/8" Gallup tubing string.
- Set BP below Mesaverde horizon at +4700'.
- Perforate Menefee and Point Lookout members of Mesaverde formation with approximately 50 holes.
- Fracture stimulate with +100,000# 20/40 sand in slick water.
- Clean out and test.
- Drill out BP and push to TD.
- TIH with 2-3/8" tubing and land at +5900'.
- Produce both zones.
- Release rig.

APPROVED
AS AMENDED

JAN 28 1986
M. MILLENBACH
AREA MANAGER

I hereby certify that the foregoing is true and correct

SIGNED S. G. Katsaris TITLE Petroleum Engineer DATE 1/25/86

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

- Please supply acreage dedication plat for the Mesa Verde
- NMOC Approval of the Commingling is required.

*See Instructions on Reverse Side

OPERATOR

50 YEARS



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

March 11, 1986



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Union Texas Petroleum
375 US Highway 64
Farmington, New Mexico 87401

Attention: R. C. Frank

Administrative Order NSL-2231

Gentlemen:

Reference is made to your application for a non-standard location for your Zachry No. 51 well located 812 feet from the South line and 573 feet from the West line of Section 35, Township 29 North, Range 10 West, NMPM, Mesaverde Pool, San Juan County, New Mexico. The S/2 of said Section 35 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "R. L. Stamets".

R. L. STAMETS, DIRECTOR

RLS/DC/dr

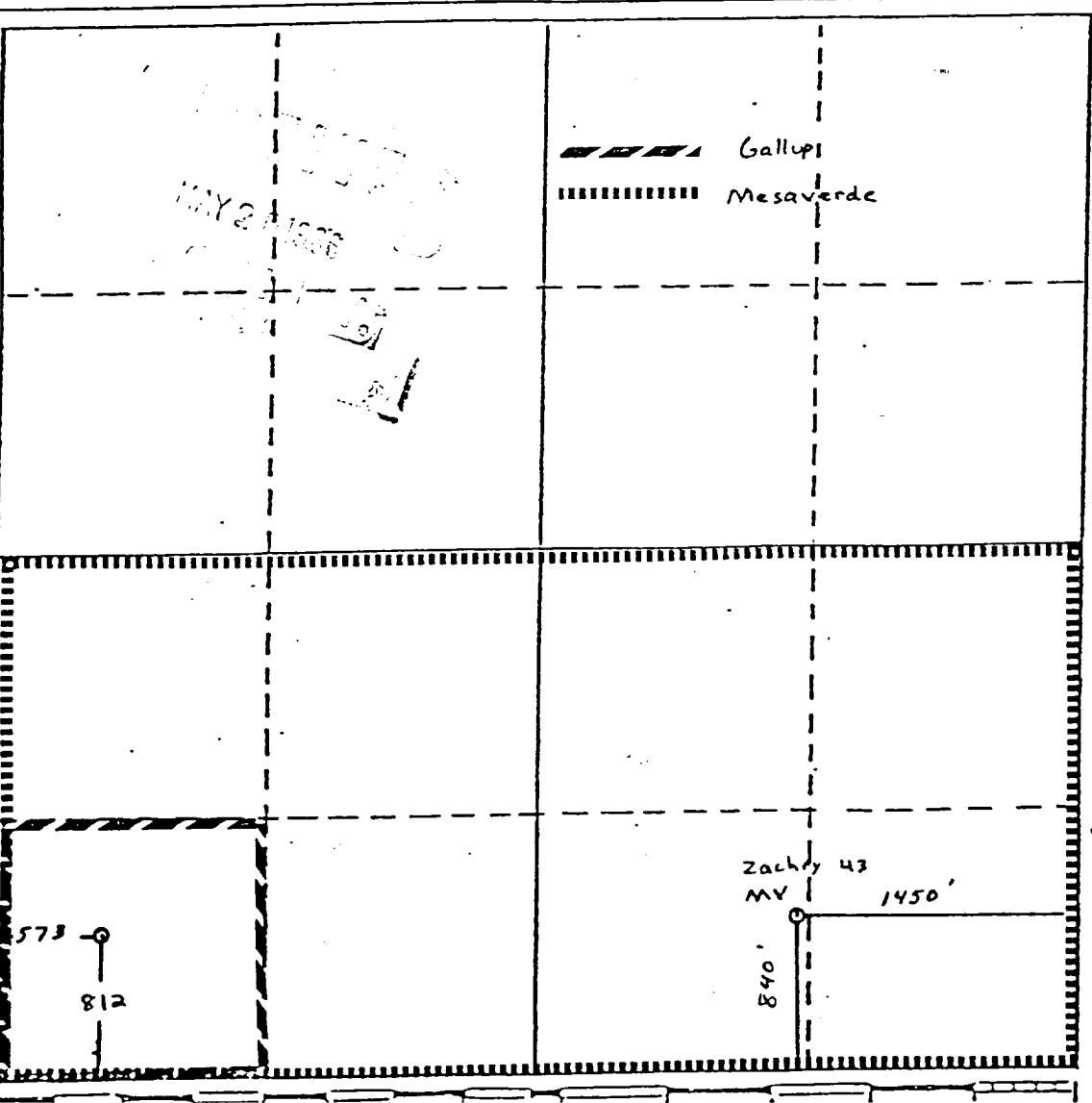
cc: Oil Conservation Division - Aztec
Bureau of Land Management - Farmington

All distances must be from the outer boundaries of the Section.

Operator UNION TEXAS PETROLEUM		Lease ZACHRY		Well No. 51
Unit Letter M	Section 35	Township 29 NORTH	Range 10 WEST	County SAN JUAN
Actual Footage Location of Well: 812 feet from the NORTH line and 573 feet from the WEST line				
Ground Level Elev. 5717	Producing Formation MESAVERDE/GALLUP	Pool BLANCO/ ARMENTA EXT.		Dedicated Acreage: 311.71/40± 320.00

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
 Yes No — If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) DEDICATED ACREAGE SOLELY U.T.P. LEASE
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Robert C. Frank
 Name: _____
 Robert C. Frank
 Position: _____
 Permit Coordinator
 Company: _____
 Union Texas Petroleum
 Date: _____
 May 13, 1986

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

Michael Daly
 Date Surveyed: _____
 December 4, 1982
 Registered Professional Engineer and/or Land Surveyor

Michael Daly
 Certificate No. _____

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

March 17, 1986

Administrative Order No. DHC-597

Union Texas Petroleum
375 U.S. Highway 64
Farmington, New Mexico 87401

Attention: S. G. Katirgis

Re: Zachry No. 51, Unit M, Sec. 35,
T-29-N, R-10-W, San Juan County, N.M.
Armenta Gallup and Blanco Mesaverde Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for the prorated gas pool as printed in the Division's San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303-C, the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



R. L. STAMETS,
Director

cc: Gas Co. of N.M.
OCD District Office - Aztec