

CASE 6538: BEDFORD, INC. FOR APPROVAL
OF INFILL DRILLING, SAN JUAN COUNTY,
NEW MEXICO

CASE NO.

6538

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
9 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Bedford, Inc., for approval of infill drilling, San Juan County, New Mexico. CASE 6538

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal counsel for the Division
State Office Building
Santa Fe, New Mexico 87503

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
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I N D E X

WILLIAM R. SPEER

Direct Examination by Mr. Kellahin 3

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MR NUTTER: We will call next Case
Number 6538. Application of Bedford, Inc., for approval
of infill drilling, San Juan County, New Mexico.

MR. KELLAHIN: I am Tom Kellahin of
Kellahin & Kellahin in Santa Fe, New Mexico, appearing
on behalf of the applicant and I have one witness.

WILLIAM R. SPEER
being called as a witness and having been duly sworn upon
his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Would you please state your name and
occupation.

A. My name is William R. Speer. I am
a consultant geologist in Farmington, New Mexico.

Q. What is your relationship with Bedford,
Inc., the applicant in this particular case?

A. I am employed by Mr. Bedford for
presentation of this case.

Q. With regards to that employment have you
made a study of and are you familiar with the facts
surrounding this particular application?

A. Yes, I am.

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1 Q. Have you previously testified before
2 the Oil Conservation Division?

3 A. Yes, I have.

4 Q. In what capacity, Mr. Speer?

5 A. As an employee of El Paso Natural Gas
6 Company.

7 Q. And do you hold a professional degree
8 of some kind?

9 A. Yes, I do, a Bachelor of Science Degree
10 from the University of New Mexico.

11 Q. We tender Mr. Speer as an expert witness.

12 MR. NUTTER: Mr. Speer is qualified.

13 Q. (Mr. Kellahin continuing) Would you refer
14 to what we have marked as Exhibit Number One, identify it
15 and explain what Bedford, Inc. is seeking.

16 A. Exhibit One is an exhibit attempting to
17 show what Bedford, Inc. is requesting of the Commission.
18 That request is a waiver of spacing regulations and
19 declaration for a second pictured cliff test well on an
20 existing proration spacing unit consisting of the northeast
21 quarter of Section 8, Township 26 North, Range 12 West, in
22 the San Juan County, New Mexico. The exhibit shows in the
23 lower right-hand corner a plat showing the relative loca-
24 tion of wells and well locations in the quarter described.

25 The Nelson No. 1 location shown thereon

1 is a Gallup test well, drilled in 1955 by El Paso Natural
2 Gas Company. This well was completed in the Gallup formation
3 and is still producing gas from that formation.

4 In that particular well a drill stem test
5 was run in 1955 over an interval encompassing a top of the
6 Pictured Cliffs formation. The interval tested was 1172
7 to 1226 feet.

8 The electric log of the Nelson No. 1 Well
9 is shown of the lefthand side of the exhibit over the portion
10 of the hole that is pertinent to this case.

11 The drill stem test of the Pictured
12 Cliffs in that particular well showed 124 Mcf of gas. The
13 well was subsequently completed and produced from the
14 Gallup formation. In 1974 Mr. Bedford acquired this well
15 on a salvage basis and, being aware of this gas in the Pic-
16 tured Cliffs, perforated that particular zone lying at 1196
17 feet to 1204 and obtained the gas that was shown on the
18 original drill stem test.

19 He then proceeded to attempt the comple-
20 tion of that particular zone by stimulation, a fracturing
21 treatment of 15,000 gallons of water and 15,000 pounds of
22 sand. Formation produced a high amount of water and was
23 subsequently squeezed off. The well was recompleted in
24 the Gallup formation and it's producing from that zone
25 today.

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1 MR. NUTTER: What year was the well ori-
2 ginally drilled?

3 A. 1955.

4 MR. NUTTER: And these workover operations
5 were in what year?

6 A. 1974.

7 MR. NUTTER: So he just tested the PC and
8 then abandoned it, went back to the Gallup?

9 A. Right.

10 MR. NUTTER: In 1974.

11 A. And the following year, 1975, he drilled
12 the No. 1 Ram Well and --

13 Q. (Mr. Kellahin continuing.) Let me ask you
14 some questions, Mr. Speer, about the --

15 A. All right.

16 Q. -- No. 1 Nelson Well.

17 In your opinion is the No. 1 Nelson Well
18 capable of effectively and efficiently draining the WAW
19 Fruitland-Pictured Cliffs Pool as currently defined by the
20 Oil Conservation Division?

21 A. No, I do not believe it is.

22 Q. Would you refer now to the Ram No. 1 Well
23 and explain the history of that well?

24 A. Ram No. 1 Well was drilled by Mr. Bedford
25 as a separate well to attempt a completion on the Pictured

1 Cliffs formation in which he had gas in the Nelson No. 1.

2 At the time, 1975, the present day Pic-
3 tured Cliffs production had not been discovered and hence
4 the -- it was discovered later; let me say that the Pic-
5 tured Cliffs, when fraced, usually produced a high amount of
6 water and was incapable of being produced as a gas well.

7 So Mr. Bedford drilled the Ram No. 1 with
8 the plan in mind of not stimulating the Pictured Cliffs
9 and producing it for the some 100 to 150 Mcf that he hoped
10 to get there.

11 The plan was to set 4-1/2 inch casing on
12 the top of the uppermost sand of the Pictured Cliffs, which
13 apparently contained all of the gas, and the pipe was set
14 into that particular sand, as you can see from the illustra-
15 tion. The top of the Pictured Cliffs on the Ram No. 1
16 being at 86 and the casing, 4-1/2 inch, set at 1189. So
17 it was set three feet into that particular sand, the sand
18 being only some seven to eight feet thick, at least half
19 of it was -- or something like half of it was shut off.

20 We drilled out from under the casing and
21 had a slight amount of gas on the Ram 1, and it was deter-
22 mined that probably the gas, if it was going to be pro-
23 ductive, the main portion of gas in the well would be be-
24 hind that pipe. So he perforated the zone from the 1186
25 to the TD of 1194.

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1 The well made water and a slight amount
2 of gas too small to measure. Incidentally, the log on the
3 Ram 1 is the only existing log, the gamma ray that's illu-
4 strated on the exhibit. Since the proximity of the Nelson 1,
5 he determined not to run any additional logs.

6 If you'll look at the log up at the 900-
7 and some 10 feet, you will note that there was a sand
8 development in the Fruitland formation in both the Nelson
9 No. 1 and the Ram No. 1.

10 When he got water in the Pictured Cliffs
11 formation, he squeezed off the Pictured Cliffs perforations
12 with 40 sacks of cement, pulled back up to the Fruitland
13 sand zone at 910-to-20 feet, perforated that, and got 60 Mcf
14 of gas, treated it with a sand/water fracture, and potentialed
15 it at 650 Mcf.

16 That well was put on production and was
17 included in the South Gallegos-Fruitland pool. It's been
18 producing and is still producing from that Fruitland sand
19 since 1976.

20 The plan on the Ram 1-A, which is some --
21 if you'll look at the plat you can see, is some 1000 feet
22 removed from the Ram No. 1 -- is an attempt again to get
23 Pictured Cliffs production from that particular proration
24 unit.

25 Q In your opinion, Mr. Speer, is the Ram No. 1

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1 Well capable of effectively and efficiently draining the
2 Pictured Cliffs member of this particular pool?

3 A. No, it is not.

4 Q. Explain to us what you propose with the
5 Ram 1-A.

6 A. The Ram 1-A was originally planned to go
7 ahead and attempt to complete again in that topmost sand of
8 the Pictured Cliffs formation.

9 It was discovered that in August of --
10 1st of last year, the Commission had expanded the Waugh-
11 Pictured Cliffs Pool in that area to include the north half
12 of Section 8, which included the Ram No. 1 Well, originally
13 designated as a South Gallegos-Fruitland Well.

14 The South Gallegos Pool was -- deleted
15 that particular section so that it was included in the
16 Waugh-Fruitland-Pictured Cliffs designation by Commission
17 Order R-5779, which extended the vertical limits to include
18 both the Fruitland and the Pictured Cliffs, hence a second
19 well on this proration unit, even though it might be pro-
20 ductive of gas from the Pictured Cliffs sandstone some 250
21 feet lower in the stratigraphic section, would be within
22 the vertical limits; hence our request for a waiver of the
23 spacing and a declaration that a current well, Ram No. 1,
24 does not efficiently and effectively drain that proration
25 unit.

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1 Q Let me ask you about the Ram No. 1, Mr.
2 Speer.

3 What has been the production from the
4 Fruitland? Do you have some production figures?

5 A Yes, I do. It was initially produced in
6 March of 1976, and through March of this year, slightly over
7 three years production, it has produced 21,843 Mcf.

8 MR. NUTTER: And that's all been from the
9 Fruitland?

10 A All from the Fruitland formation. The
11 well currently is averaging about 6 to 7 Mcf a day, so it
12 is very close to the economical margin at that rate.

13 Q In your opinion, Mr. Speer, is the Ram
14 No. 1 Well effectively and efficiently draining the 160-acre
15 proration unit with regards to the Fruitland member of the
16 pool?

17 A I do not believe so by the nature of the
18 Fruitland formation.

19 Exhibit Four, if I may refer to it, -- or
20 perhaps I should mention what Exhibit Two and Three are.

21 Q Fine. Let's go to Exhibit Two.

22 A Exhibit Two and Three are simply the
23 sundry notices filed on the Ram No. 1 Well, indicating what
24 I've stated to date, that the completion attempt made on
25 the Pictured Cliffs, or the fact that it was squeezed with

1 40 sacks of cement and the well perforated and produced
2 from the Fruitland formation.

3 Exhibit Number Four is a map showing all
4 current well locations in the area of request. You'll note
5 in the lefthand corner, Waugh-Pictured Cliffs Field indi-
6 cates the general trend of the major production from that
7 particular pool, and over in the righthand side of that map,
8 the South Gallegos-Fruitland shows the area of the Fruitland
9 production.

10 The Fruitland wells are indicated by a
11 triangle, and if you'll look at the Ram No. 1 in Section 8
12 of 26, 12, you'll see that there are no Fruitland wells in
13 the immediate vicinity of that particular well. In fact,
14 the -- all of the surrounding wells in Sections 4 and 5,
15 in Section 8, and in Section 9, which amounts to one, two,
16 three, four, five, six wells surrounding that quarter sec-
17 tion, the northeast quarter of 8, there is no indication
18 on the electric logs of Fruitland Sand development, so that
19 this particular well is productive from a Fruitland Sand
20 that appears to be nowhere existent in the immediate area.

21 Since we assume that it's, as many of the
22 Fruitland Sands in the area, an isolated sand development,
23 and we would conclude that it's very questionable about
24 whether that particular sand would be developed in the Ram
25 1-A location, but were it developed, we would like to be

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1 able to perforate that particular zone, or any other Fruit-
2 land Sand development that may occur in that particular
3 well, and have it included in the producing zone.

4 But initially the well is designed in
5 hopes of producing the Pictured Cliffs Sand.

6 MR. NUTTER: Mr. Speer, has the Fruitland
7 ever been perforated in the Nelson?

8 A. The Fruitland?

9 MR. NUTTER: Uh-huh.

10 A. No, it was not.

11 MR. NUTTER: Looks like it has a little
12 sand development there. How good it is, we don't know.

13 A. Well, it's the -- currently the same sand
14 that is developed in the Ram 1. I mean that was the assump-
15 tion. When I said surrounding wells, I was excluding the
16 Nelson 1 because that is the key well that had the sand in
17 it, but the Bedford Twin No. 1, the McHugh Chaco Plant 6,
18 the Merrion and Bayless Chayter 1, the Dugan DonMac No. 1,
19 and the Bedford Frontier 1-A wells, all surrounding this
20 quarter section, had no sand development in the pool.

21 Q In your opinion, Mr. Speer, will the Ram
22 1-A Well recover gas from the Fruitland and Pictured Cliffs
23 formations in the WAW Fruitland-Pictured Cliffs Pool that
24 would not otherwise be recovered from any existing well on
25 the proration unit?

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A. That is my feeling.

Q. Were Exhibits One, Two, Three, and Four compiled by you or compiled under your direction and supervision?

A. Yes, they were.

Q. And in your opinion will approval of this application be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?

A. Yes, it would.

MR. KELLAHIN: That concludes our examination and we move the introduction of the exhibits.

MR. NUTTER: Applicant's Exhibits One through Four will be admitted in evidence.

Does anyone have any questions of the witness? He may be excused.

Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6538?

We'll take the case under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd CSR
Sally W. Boyd, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6538
heard by me on 5/9 1979.
[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
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EXAMINER HEARING

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BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	Ernest L. Padilla, Esq. Legal counsel for the Division State Office Building Santa Fe, New Mexico 87503
For the Applicant:	W. Thomas Kellahin, Esq. KELLAHIN & KELLAHIN 500 Don Gaspar Santa Fe, New Mexico 87501

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I N D E X

WILLIAM R. SPEER

Direct Examination by Mr. Kellahin 3

E X H I B I T S

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1 MR. NUTTER: We will call next Case
2 Number 6533. Application of Bedford, Inc., for approval
3 of infill drilling, San Juan County, New Mexico.
4
5 MR. KELLAHIN: I am Tom Kellahin of
6 Kellahin & Kellahin in Santa Fe, New Mexico, appearing
7 on behalf of the applicant and I have one witness.
8
9 WILLIAM R. SPEER
10 being called as a witness and having been duly sworn upon
11 his oath, testified as follows, to-wit:
12
13 DIRECT EXAMINATION
14 BY MR. KELLAHIN:
15 Q. Would you please state your name and
16 occupation.
17 A. My name is William R. Speer. I am
18 a consultant geologist in Farmington, New Mexico.
19 Q. What is your relationship with Bedford,
20 Inc., the applicant in this particular case?
21 A. I am employed by Mr. Bedford for
22 presentation of this case.
23 Q. With regards to that employment have you
24 made a study of and are you familiar with the facts
25 surrounding this particular application?
A. Yes, I am.

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1 Q. Have you previously testified before
2 the Oil Conservation Division?

3 A. Yes, I have.

4 Q. In what capacity, Mr. Speer?

5 A. As an employee of El Paso Natural Gas
6 Company.

7 Q. And do you hold a professional degree
8 of some kind?

9 A. Yes, I do, a Bachelor of Science Degree
10 from the University of New Mexico.

11 Q. We tender Mr. Speer as an expert witness.

12 MR. NUTTER: Mr. Speer is qualified.

13 Q. (Mr. Kellahin continuing) Would you refer
14 to what we have marked as Exhibit Number One, identify it
15 and explain what Bedford, Inc. is seeking.

16 A. Exhibit One is an exhibit attempting to
17 show what Bedford, Inc. is requesting of the Commission.
18 That request is a waiver of spacing regulations and
19 declaration for a second pictured cliff test well on an
20 existing proration spacing unit consisting of the northeast
21 quarter of Section 8, Township 26 North, Range 12 West, in
22 the San Juan County, New Mexico. The exhibit shows in the
23 lower right-hand corner a plat showing the relative loca-
24 tion of wells and well locations in the quarter described.

25 The Nelson No. 1 location shown thereon

1 is a Gallup test well, drilled in 1955 by El Paso Natural
2 Gas Company. This well was completed in the Gallup formation
3 and is still producing gas from that formation.

4 In that particular well a drill stem test
5 was run in 1955 over an interval encompassing a top of the
6 Pictured Cliffs formation. The interval tested was 1172
7 to 1226 feet.

8 The electric log of the Nelson No. 1 Well
9 is shown on the lefthand side of the exhibit over the portion
10 of the hole that is pertinent to this case.

11 The drill stem test of the Pictured
12 Cliffs in that particular well showed 124 Mcf of gas. The
13 well was subsequently completed and produced from the
14 Gallup formation. In 1974 Mr. Bedford acquired this well
15 on a salvage basis and, being aware of this gas in the Pic-
16 tured Cliffs, perforated that particular zone lying at 1196
17 feet to 1204 and obtained the gas that was shown on the
18 original drill stem test.

19 He then proceeded to attempt the comple-
20 tion of that particular zone by stimulation, a fracturing
21 treatment of 15,000 gallons of water and 15,000 pounds of
22 sand. Formation produced a high amount of water and was
23 subsequently squeezed off. The well was recompleted in
24 the Gallup formation and it's producing from that zone
25 today.

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MR. NUTTER: What year was the well originally drilled?

A 1955.

MR. NUTTER: And these workover operations were in what year?

A 1974.

MR. NUTTER: So he just tested the PC and then abandoned it, went back to the Gallup?

A Right.

MR. NUTTER: In 1974.

A And the following year, 1975, he drilled the No. 1 Ram Well and --

Q (Mr. Kellahin continuing.) Let me ask you some questions, Mr. Speer, about the --

A All right.

Q -- No. 1 Nelson Well.

In your opinion is the No. 1 Nelson Well capable of effectively and efficiently draining the WAW Fruitland-Pictured Cliffs Pool as currently defined by the Oil Conservation Division?

A No, I do not believe it is.

Q Would you refer now to the Ram No. 1 Well and explain the history of that well?

A Ram No. 1 Well was drilled by Mr. Bedford as a separate well to attempt a completion on the Pictured

1 Cliffs formation in which he had gas in the Nelson No. 1.

2 At the time, 1975, the present day Pic-
3 tured Cliffs production had not been discovered and hence
4 the --- it was discovered later; let me say that the Pic-
5 tured Cliffs, when fraced, usually produced a high amount of
6 water and was incapable of being produced as a gas well.

7 So Mr. Bedford drilled the Ram No. 1 with
8 the plan in mind of not stimulating the Pictured Cliffs
9 and producing it for the some 100 to 150 Mcf that he hoped
10 to get there.

11 The plan was to set 4-1/2 inch casing on
12 the top of the uppermost sand of the Pictured Cliffs, which
13 apparently contained all of the gas, and the pipe was set
14 into that particular sand, as you can see from the illustra-
15 tion. The top of the Pictured Cliffs on the Ram No. 1
16 being at 86 and the casing, 4-1/2 inch, set at 1189. So
17 it was set three feet into that particular sand, the sand
18 being only some seven to eight feet thick, at least half
19 of it was -- or something like half of it was shut off.

20 We drilled out from under the casing and
21 had a slight amount of gas on the Ram 1, and it was deter-
22 mined that probably the gas, if it was going to be pro-
23 ductive, the main portion of gas in the well would be be-
24 hind that pipe. So he perforated the zone from the 1186
25 to the TD of 1194.

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1 The well made water and a slight amount
2 of gas too small to measure. Incidentally, the log on the
3 Ram 1 is the only existing log, the gamma ray that's illu-
4 strated on the exhibit. Since the proximity of the Nelson 1,
5 he determined not to run any additional logs.

6 If you'll look at the log up at the 900-
7 and some 10 feet, you will note that there was a sand
8 development in the Fruitland formation in both the Nelson
9 No. 1 and the Ram No. 1.

10 When he got water in the Pictured Cliffs
11 formation, he squeezed off the Pictured Cliffs perforations
12 with 40 sacks of cement, pulled back up to the Fruitland
13 sand zone at 910-to-20 feet, perforated that, and got 60 Mcf
14 of gas, treated it with a sand/water fracture, and potentialed
15 it at 650 Mcf.

16 That well was put on production and was
17 included in the South Gallegos-Fruitland pool. It's been
18 producing and is still producing from that Fruitland sand
19 since 1976.

20 The plan on the Ram 1-A, which is some --
21 if you'll look at the plat you can see, is some 1000 feet
22 removed from the Ram No. 1 -- is an attempt again to get
23 Pictured Cliffs production from that particular proration
24 unit.

25 Q In your opinion, Mr. Speer, is the Ram No. 1

1 Well capable of effectively and efficiently draining the
2 Pictured Cliffs member of this particular pool?

3 A. No, it is not.

4 Q Explain to us what you propose with the
5 Ram 1-A.

6 A. The Ram 1-A was originally planned to go
7 ahead and attempt to complete again in that topmost sand of
8 the Pictured Cliffs formation.

9 It was discovered that in August of --
10 1st of last year, the Commission had expanded the Waugh-
11 Pictured Cliffs Pool in that area to include the north half
12 of Section 8, which included the Ram No. 1 Well, originally
13 designated as a South Gallegos-Fruitland Well.

14 The South Gallegos Pool was -- deleted
15 that particular section so that it was included in the
16 Waugh-Fruitland-Pictured Cliffs designation by Commission
17 Order R-5779, which extended the vertical limits to include
18 both the Fruitland and the Pictured Cliffs, hence a second
19 well on this proration unit, even though it might be pro-
20 ductive of gas from the Pictured Cliffs sandstone some 250
21 feet lower in the stratigraphic section, would be within
22 the vertical limits; hence our request for a waiver of the
23 spacing and a declaration that a current well, Ram No. 1,
24 does not efficiently and effectively drain that proration
25 unit.

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Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

1 Q Let me ask you about the Ram No. 1, Mr.
2 Speer.

3 What has been the production from the
4 Fruitland? Do you have some production figures?

5 A Yes, I do. It was initially produced in
6 March of 1976, and through March of this year, slightly over
7 three years production, it has produced 21,843 Mcf.

8 MR. NUTTER: And that's all been from the
9 Fruitland?

10 A All from the Fruitland formation. The
11 well currently is averaging about 6 to 7 Mcf a day, so it
12 is very close to the economical margin at that rate.

13 Q In your opinion, Mr. Speer, is the Ram
14 No. 1 Well effectively and efficiently draining the 160-acre
15 proration unit with regards to the Fruitland member of the
16 pool?

17 A I do not believe so by the nature of the
18 Fruitland formation.

19 Exhibit Four, if I may refer to it, -- or
20 perhaps I should mention what Exhibit Two and Three are.

21 Q Fine. Let's go to Exhibit Two.

22 A Exhibit Two and Three are simply the
23 sundry notices filed on the Ram No. 1 Well, indicating what
24 I've stated to date, that the completion attempt made on
25 the Pictured Cliffs, or the fact that it was squeezed with

1 40 sacks of cement and the well perforated and produced
2 from the Fruitland formation.

3 Exhibit Number Four is a map showing all
4 current well locations in the area of request. You'll note
5 in the lefthand corner, Waugh-Pictured Cliffs Field indi-
6 cates the general trend of the major production from that
7 particular pool, and over in the righthand side of that map,
8 the South Gallegos-Fruitland shows the area of the Fruitland
9 production.

10 The Fruitland wells are indicated by a
11 triangle, and if you'll look at the Ram No. 1 in Section 8
12 of 26, 12, you'll see that there are no Fruitland wells in
13 the immediate vicinity of that particular well. In fact,
14 the -- all of the surrounding wells in Sections 4 and 5,
15 in Section 8, and in Section 9, which amounts to one, two,
16 three, four, five, six wells surrounding that quarter sec-
17 tion, the northeast quarter of 8, there is no indication
18 on the electric logs of Fruitland Sand development, so that
19 this particular well is productive from a Fruitland Sand
20 that appears to be nowhere existent in the immediate area.

21 Since we assume that it's, as many of the
22 Fruitland Sands in the area, an isolated sand development,
23 and we would conclude that it's very questionable about
24 whether that particular sand would be developed in the Ram
25 1-A location, but were it developed, we would like to be

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

1 able to perforate that particular zone, or any other Fruit-
2 land Sand development that may occur in that particular
3 well, and have it included in the producing zone.

4 But initially the well is designed in
5 hopes of producing the Pictured Cliffs Sand.

6 MR. NUTTER: Mr. Speer, has the Fruitland
7 ever been perforated in the Nelson?

8 A. The Fruitland?

9 MR. NUTTER: Uh-huh.

10 A. No, it was not.

11 MR. NUTTER: Looks like it has a little
12 sand development there. How good it is, we don't know.

13 A. Well, it's the -- currently the same sand
14 that is developed in the Ram 1. I mean that was the assump-
15 tion. When I said surrounding wells, I was excluding the
16 Nelson 1 because that is the key well that had the sand in
17 it, but the Bedford Twin No. 1, the McHugh Chaco Plant 6,
18 the Merrion and Bayless Chayter 1, the Dugan DonMac No. 1,
19 and the Bedford Frontier 1-A wells, all surrounding this
20 quarter section, had no sand development in the pool.

21 Q In your opinion, Mr. Speer, will the Ram
22 1-A Well recover gas from the Fruitland and Pictured Cliffs
23 formations in the WAW Fruitland-Pictured Cliffs Pool that
24 would not otherwise be recovered from any existing well on
25 the proration unit?

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

1 A. That is my feeling.

2 Q. Were Exhibits One, Two, Three, and Four

3 compiled by you or compiled under your direction and super-

4 vision?

5 A. Yes, they were.

6 Q. And in your opinion will approval of this

7 application be in the best interests of conservation, the

8 prevention of waste, and the protection of correlative

9 rights?

10 A. Yes, it would.

11 MR. KELLAHIN: That concludes our examin-

12 ation and we move the introduction of the exhibits.

13 MR. NUTTER: Applicant's Exhibits One

14 through Four will be admitted in evidence.

15 Does anyone have any questions of the

16 witness? He may be excused.

17 Do you have anything further, Mr. Kellahin?

18 MR. KELLAHIN: No, sir.

19 MR. NUTTER: Does anyone have anything

20 they wish to offer in Case Number 6538?

21 We'll take the case under advisement.

22 (Hearing concluded.)

23

24


25

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
8020 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6538
heard by me on 5/9 1979.
 Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR
NICK FRANKLIN
SECRETARY

POST OFFICE BOX 2068
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 6538
ORDER NO. R-6027

Applicant:

Bedford, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6538
Order No. R-6027

APPLICATION OF BEDFORD, INC. FOR
APPROVAL OF INFILL DRILLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 9, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of June, 1979, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

- (1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Bedford, Inc., seeks a waiver of
existing well spacing requirements and a finding that the drill-
ing of its Ram Well No. 1-A located in Unit G of Section 8,
Township 26 North, Range 12 West, WAW Fruitland-Pictured Cliffs
Pool, San Juan County, New Mexico, is necessary to effectively
and efficiently drain that portion of the proration unit which
cannot be so drained by the existing well.
- (3) That the standard spacing unit in the WAW Fruitland-
Pictured Cliffs Pool is 160 acres.
- (4) That Bedford, Inc. is the operator of a standard 160-
acre proration unit consisting of the NE/4 of said Section 8
in the WAW Fruitland-Pictured Cliffs Pool.
- (5) That said 160-acre proration unit is dedicated to
applicant's Ram Well No. 1 located in Unit A of said Section 8.

-2-

Case No. 6538
Order No. R-6027

(6) That said Ram Well No. 1 is productive from the Fruitland zone of the WAW Fruitland-Pictured Cliffs Pool but is non-productive from the Pictured Cliffs zone of said pool.

(7) That the applicant proposes to complete its Ram Well No. 1-A in the Pictured Cliffs zone of the WAW Fruitland-Pictured Cliffs Pool.

(8) That the evidence indicates that if the drilling and completion of applicant's said Ram Well No. 1-A in the Pictured Cliffs zone of said pool is successful, said Ram Well No. 1-A should recover additional gas from applicant's acreage which would not otherwise be recovered from the proration unit.

(9) That such additional recovery from the non-standard proration unit will result in such unit being more efficiently and economically drained.

(10) That said Ram Well No. 1-A is to be drilled as an "infill" well on the existing 160-acre proration unit.

(11) That in order to permit the drainage of a portion of the reservoir covered by said 160-acre proration unit which cannot be effectively and efficiently drained by the existing well thereon, the subject application for infill drilling should be approved as an exception to the standard well spacing requirements for said WAW Fruitland-Pictured Cliffs Pool.

IT IS THEREFORE ORDERED:

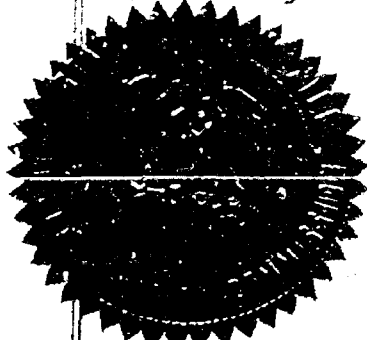
(1) That the applicant, Bedford, Inc., is hereby authorized to drill its Ram Well No. 1-A to be located in Unit G of Section 8, Township 26 North, Range 12 West, as an infill well on an existing 160-acre proration unit being the NE/4 of said Section 8, WAW Fruitland-Pictured Cliffs Pool, San Juan County, New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by the existing 160-acre proration unit which cannot efficiently and economically be drained by any existing well thereon.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-3-

Case No. 6538
Order No. R-6027

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

Dockets Nos. 20-79 and 21-79 are tentatively set for hearing on May 23 and June 13, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

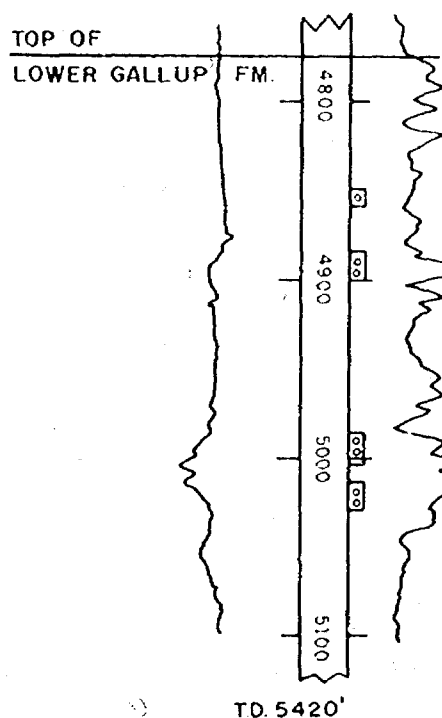
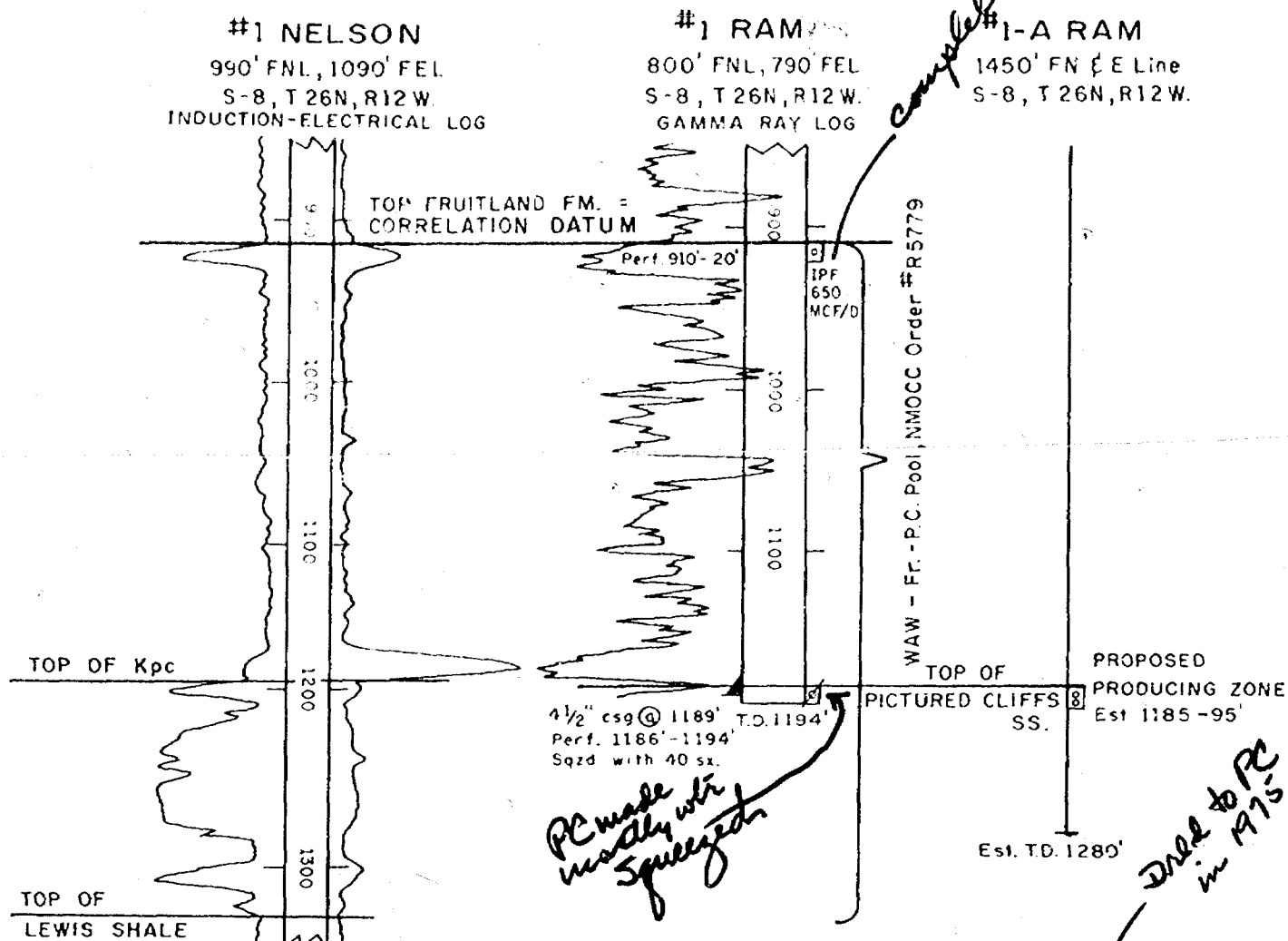
DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1979

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

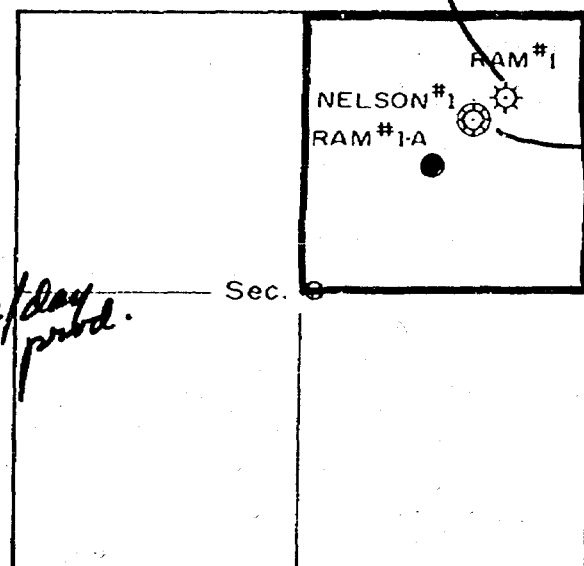
- CASE 6544: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Geologic Resources, Inc., United States Fire Insurance Company, and all other interested parties to appear and show cause why the B. T. Godec Strat. Test Well No. 1 located in Unit I of Section 25, Township 12 North, Range 8 East, Santa Fe County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6492: (Continued from April 25, 1979, Examiner Hearing)
- Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6534: Application of Amoco Production for simultaneous dedication and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of its Gilluly Fed. Well No. 17 at an unorthodox location in Unit H of Section 24, Township 20 South, Range 36 East, Eumont Gas Pool, along with the three wells now dedicated to the previously approved 480-acre unit comprising the N/2 and SE/4 of said Section 24.
- CASE 6535: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.
- CASE 6536: Application of Black River Corp. for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 80-acre non-standard gas proration units in the Jalnat Gas Pool as follows: the N/2 SE/4 of Section 22, Township 23 South, Range 36 East, to be dedicated to applicant's well to be drilled in Unit J of said Section 22; and the S/2 SE/4 of said Section 22 to be dedicated to El Paso Natural Gas Company's Shell State Well NO. 3 located in Unit P.
- CASE 6537: Application of Harper Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its West Ranger Lake Unit Area, comprising 1,120 acres, more or less, of State lands in Township 12 South, Range 34 East, Lea County, New Mexico.
- CASE 6538: Application of Bedford, Inc., for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Ram Well No. 1-A located in Unit C of Section 8, Township 26 North, Range 12 West, WAW Fruitland-Pictured Cliffs Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6539: Application of Continental Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its James Ranch Unit Well No. 7 located in Unit G of Section 6, Township 23 South, Range 31 East, Eddy County, New Mexico, to produce gas from the Morrow and Atoka formations, Los Medanos Field, through parallel strings of tubing.
- CASE 6540: Application of Caulkins Oil Company for an NGPA determination, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a Section 108 stripper gas well determination for its State B Well No. 233 located in Unit D of Section 16, Township 26 North, Range 6 West, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico.
- CASE 6541: Application of Sun Oil Company for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State H Well No. 17, 1328 feet from the North line and 1336 feet from the East line of Section 16, Township 8 South, Range 30 East, Cato-San Andres Pool, Chaves County, New Mexico.

EXHIBIT NO. 1 - NMOCC CASE NO. 65³⁸ - BEDFORD, INC.



Ram #1
3-76 thru
3-79
21843 MCF
from island
about 6-7 MCF/day
current and prod.

T 26N, R12W, N.M.P.M., SAN JUAN CO. N.M.



1955
Spur
DST in
PC sand
124 MCF
in 1974
perf'd
in PC
and treated
Prod high
amount
of wtr
recompl
in Kp

PLAT SHOWING RELATIVE LOCATION OF #1 NELSON, #1 RAM & #1-A RAM WELLS.

SCALE: 1 MILE = 3 INCHES

EXHIBIT #1
Case # 65³⁸
BEDFORD, INC.

P.O. BOX 255, FARMINGTON, N.M.
MARCH 28, 1979

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
EXHIBIT NO. 1
CASE NO. 6538

1000 FT. 2000 FT.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN THIS CASE
(Other Instructions
verse side)Form Approved
Budget Bureau No. 42 R1424
5. LEASE DESIGNATION AND SERIAL NO.

SF-081100-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR BEDFORD INC	8. FARM OR LEASE NAME RAM
3. ADDRESS OF OPERATOR PO Box E, Farmington, N.M. 87401	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 890' FNL 790' FEL Sec. 8 T26N, R12W SAN JUAN Co, N.M.	10. FIELD AND POOL, OR WELLCAT Wildcat
14. PERMIT NO.	15. ELEVATIONS (Show whether DT, RT, CK, etc.) 5967 GL
	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 8 T26N, R12W NM PM
	12. COUNTY OR PARISH SAN JUAN
	13. STATE N.M.

16.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other)REPAIRING WELL
ALTERING CASING
ABANDONMENT*

(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.)

12-8-75 Drilled 8 5/8" hole to 40',
Set 40' 7" 20#/4 Csg, Cemented w/ 8sx Cement.12-14-75 Drilled to 1189', set 1189' 4 1/2" OD 9.5 #/4 Csg
@ 1189, Cemented w/ 120 sx Reg Cement.
Plug down @ 3:00pm.12-18-75 Drilled out Float & Shoe
Drilled to TD 1194'1-5-76 Move in Completion Rig, Picked up
2 3/4" Tbg, Set tbg @ 1194'1-9-76 PL making water & GAS TSTM
Squeezed PC w/ 40sx will Attempt Fracturing

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

SIGNED

L. J. Bedford

TITLE

Operator

DATE

1-20-76

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

EXHIBIT NO. 2
CASE NO. 6538
BEDFORD, IND.

*See Instructions on Reverse Side

DATE	1-20-76
BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
Bedford	EXHIBIT NO. 2
CASE NO. 6538	

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIP DATE
(Other instructions
verse side)Form approved.
Budget Bureau No. 42-W1424.

5. LEASE DESIGNATION AND SERIAL NO.

SF-081100-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR BEDFORD, INC.	8. FARM OR LEASE NAME RAM
3. ADDRESS OF OPERATOR PO Box E, FARMINGTON, New Mexico 87401	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 890' fml 790' fcl SOL. 8 T26N, R12W SAN JUAN Co. N.M.	10. FIELD AND POOL, OR WILDCAT Wildcat
14. PERMIT NO.	15. ELEVATIONS (Show whether DT, RT, CR, etc.) 5967 GR
	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T26N, R12W N.M.P.M.
	12. COUNTY OR PARISH SAN JUAN
	13. STATE N.M.

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"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>	(Other)	<input 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 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.)

1-13-76 PBTD 990', Perforate Fruitland from 910' to 920' with 2 shots per ft.

1-14-76 GUAGE GAS Flow 60 mcf/d

1-15-76 FRAC well w/ 15,000# 20/40 SAND w/ 15,000 gal water BD Press 1800 psi Treating Press 1250 psi Inj Rate 24 BPM. Shut in 500 psi.

1-16-76 RAN 902' 1 1/4" Tbs, Swab well in GUAGED 650 mcf/day. Shut well in Waiting on Gas Sales Connection

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

SIGNED

Larry Bedford

TITLE

Engineer

DATE

JAN 20, 76

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

EXHIBIT NO. 3
CASE NO. 6538
BEDFORD, INC.

BEFORE EXAMINER NUMBER

*See Instructions on Reverse Side

Bedford

CASE NO. 3

6538

R-12-W

M. & B.

J. P. McHugh

3

25

10

J. W. Goddard

GSU

Bengal 'b'

Skelly

38

M. & B.

Hickman 'A'

1

Dugan Ben Franklin

Sullivan 'A'

Hickman

GSU

3

49

SO. GALLEGOS-FRUITLAND

J. W. Goddard

J. P. McHugh

Navejo 'L'

Hickman 'A'

J. P. McHugh

7

Chaco Plant

EXHIBIT # 4

Case # 6538

BEDFORD, INC.

A = 3800

Eddy

Hadlock

Skelly

20

GSU

M. & B.

19

2

Charrier

M. & B.

Dugan Dornoc

1

1-A

Nelson

Skelly

1

Sullivan 'E'

J. P. McHugh

Kirby Expl.

Dugan Prod.

2

3

4

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
Bedford EXHIBIT NO. 4
CASE NO. 6538

Bedford

6538

4

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
Bedford EXHIBIT NO. 4
CASE NO. 6538

Sullivan 'A'

M. & B.

Walker

McHugh

9

Liberty Bell

1

Frontier

Chaco Plant

6

Bedford Inc.

1-A

Ran

Nelson

Sonon, Ltd.

1

1

Tenneco

So. Union

Twin

Tenn-Fed.

Nelson

2

Frontier 'A'

Kirby Expl.

Dugan Prod.

2

2R

2

1

Fusselman Fed.

EPP Co. 1-C

1

Morgan

Pan Am

1

9

Es-Sko-En-No-Tah

6

T 26 N

M. & B. A.

Chico

4

1

M. & B.

So. Union

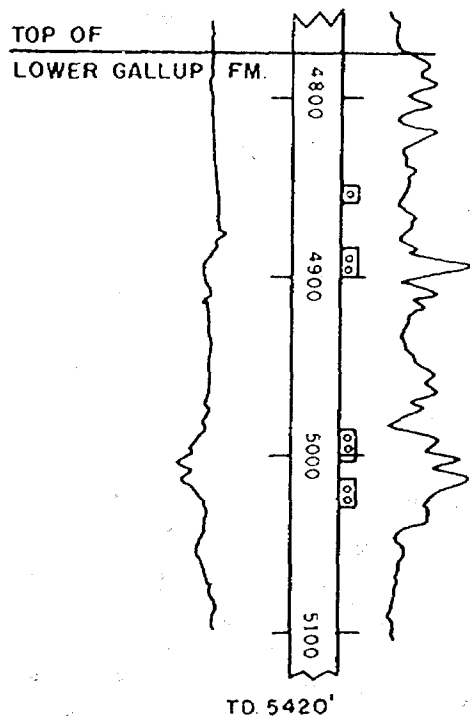
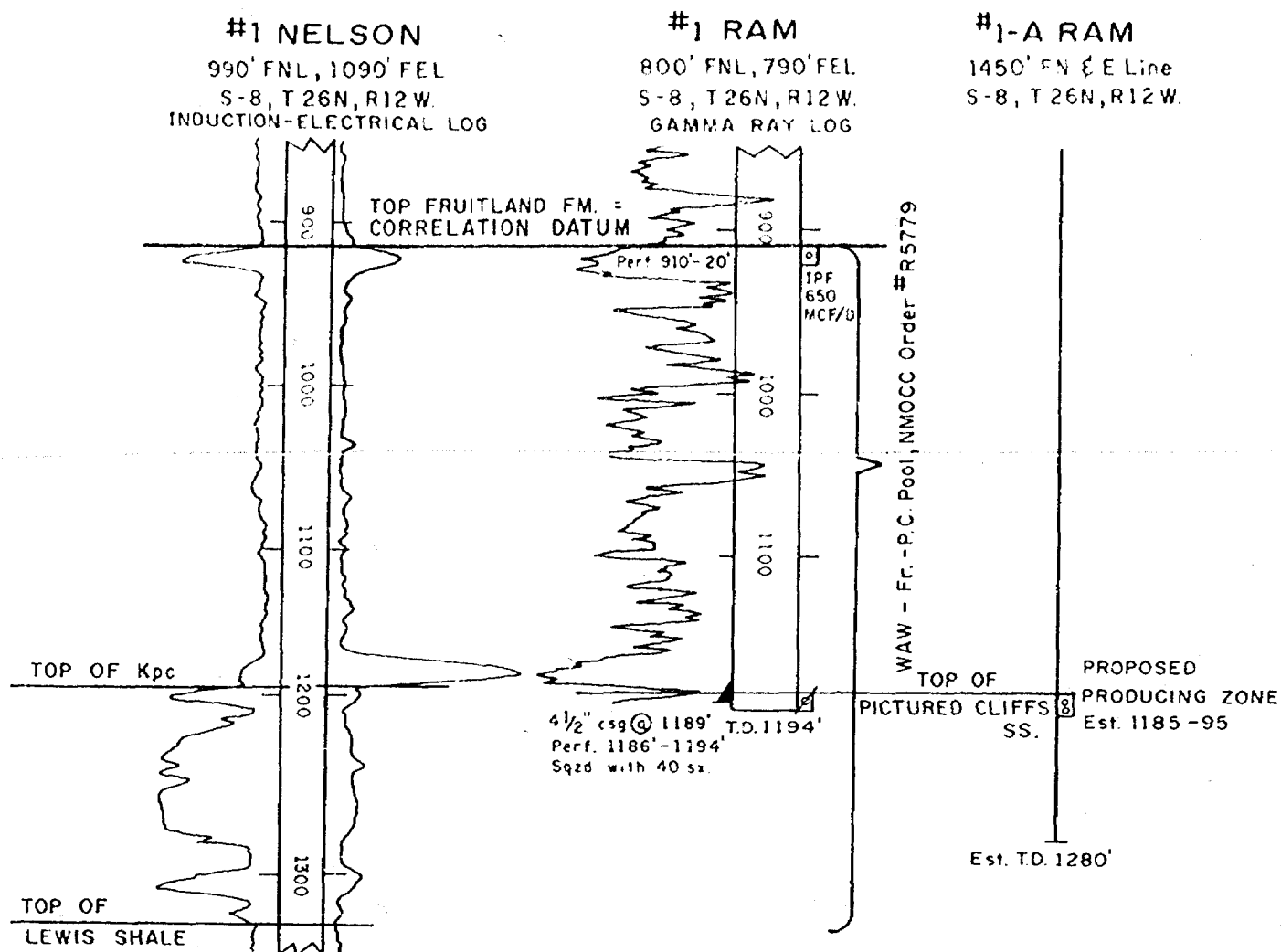
2

Lonsdale

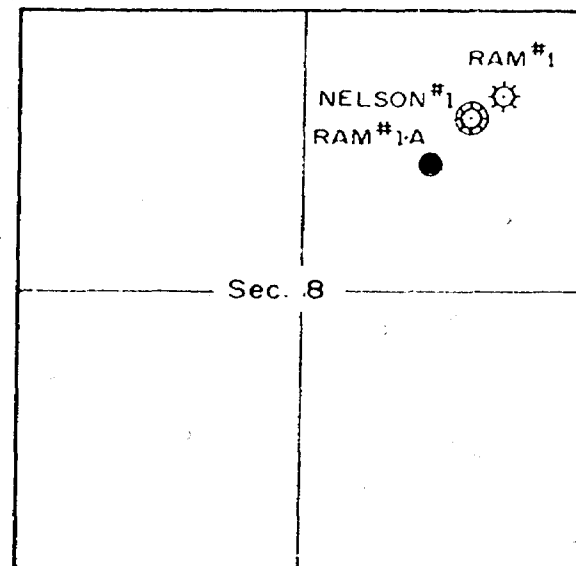
M. & B.

WAW-FRUITLAND-PIC: CLIFFS

EXHIBIT NO. 1 - NMOCC CASE NO. ~~6538~~ ⁶⁵³⁸ - BEDFORD, INC.



T 26N, R12W, N.M.P.M., SAN JUAN CO. N.M.



PLAT SHOWING RELATIVE LOCATION
OF #1 NELSON, #1 RAM & #1-A RAM WELLS.
SCALE: 1 MILE = 3 INCHES

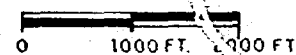


EXHIBIT #1

Case # ~~6538~~ ⁶⁵³⁸

BEDFORD, INC.

P.O. BOX 255, FARMINGTON, N.M.

MARCH 28, 1979

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPlicate
(Other Instructions on Reverse Side)Form approved.
Budget Bureau No. 42 R1424.
5. LEASE DESIGNATION AND SERIAL NO.

SF-081100-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR BEDFORD INC	8. PAID OR LEASE NAME RAM
3. ADDRESS OF OPERATOR PO Box E, Farmington, N.M. 87401	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 890' FNL 790' FEL Sec. 8 T26N, R12W SAN JUAN Co, N.M.	10. FIELD AND POOL, OR WILDCAT Wildcat
14. PERMIT NO.	15. ELEVATIONS (Show whether DT, RT, CK, etc.) 5967 GL
11. SEC., T., R., W., OR BLK. AND SURVEY OR AREA Sec 8 T26N, R12W N.M. PM	
12. COUNTY OR PARISH 13. STATE SAN JUAN N.M.	

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 checked="" type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input 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) <input 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 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.)*

12-8-75 Drilled 8 5/8" hole to 40',
Set 40' 7" 20# 4/4 Csg, Cemented w/ 8sx Cement.

12-14-75 Drilled to 1189', set 1189' 4 1/2" OD 9.5# 4/4 Csg
@ 1189, Cemented w/ 120 sx Reg Cement.
Plug down @ 3:00pm.

12-18-75 Drilled out Float & Shoe
Drilled to TD 1194'

1-5-76 Move in Completion Rig, Picked up
2 3/4" TBG, Set TBG @ 1194'

1-9-76 PL making water & GAS TSTm
Squeezed PC w/ 40sx will Attempt Fracturing

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

SIGNED

Samuel Bedford

TITLE

Operator

DATE

1-20-76

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

EXHIBIT NO. 2
CASE NO. 6538
BEDFORD, IND.

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIP
(Other instructions
reverse side)

DATE

Form approved.
Budget Bureau No. 42-R1424.

U. LEASE DESIGNATION AND SERIAL NO.

SF-081100-A

C. IF INDIAN, ALLOTTEE OR TRIBE NAME

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.)1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

BEDFORD, INC.

3. ADDRESS OF OPERATOR

PO Box E, 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

890' FNL 790' FEL SOL. B

T26N, R12W SAN JUAN Co. N.M.

14. PERMIT NO.

15. ELEVATIONS (Show whether DP, RT, CR, etc.)

5967 GR

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

RAM

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND

Sec. B, T26N, R12W

12. COUNTY OR PARISH

SAN JUAN

13. STATE

N.M.

16.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(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.)*

1-13-76 PBTD 990', Perforate Fruitland from 910 to 920'
with 2 shots per ft.

1-14-76 GUAGE Gas Flow 60 MCF/D

1-15-76 FRAC well w/ 15,000^{psi} 20/40 SAND w/ 15,000 gal water
BD Press 1800 psi Treating Press 1250 psi
INJ Rate 24 BPM. Shut in 500 psi.1-16-76 RAN 902' 1 1/4" Tbs, Snob well IN
GUAGED 650 MCF/DAY. Shut well in.
Waiting on Gas Sales Connection

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

SIGNED

James Bedford

TITLE

Engineer

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

JAN 20, 76

DATE

EXHIBIT NO. 3

CASE NO. 6538

BEDFORD, INC.

*See Instructions on Reverse Side

R-12-W

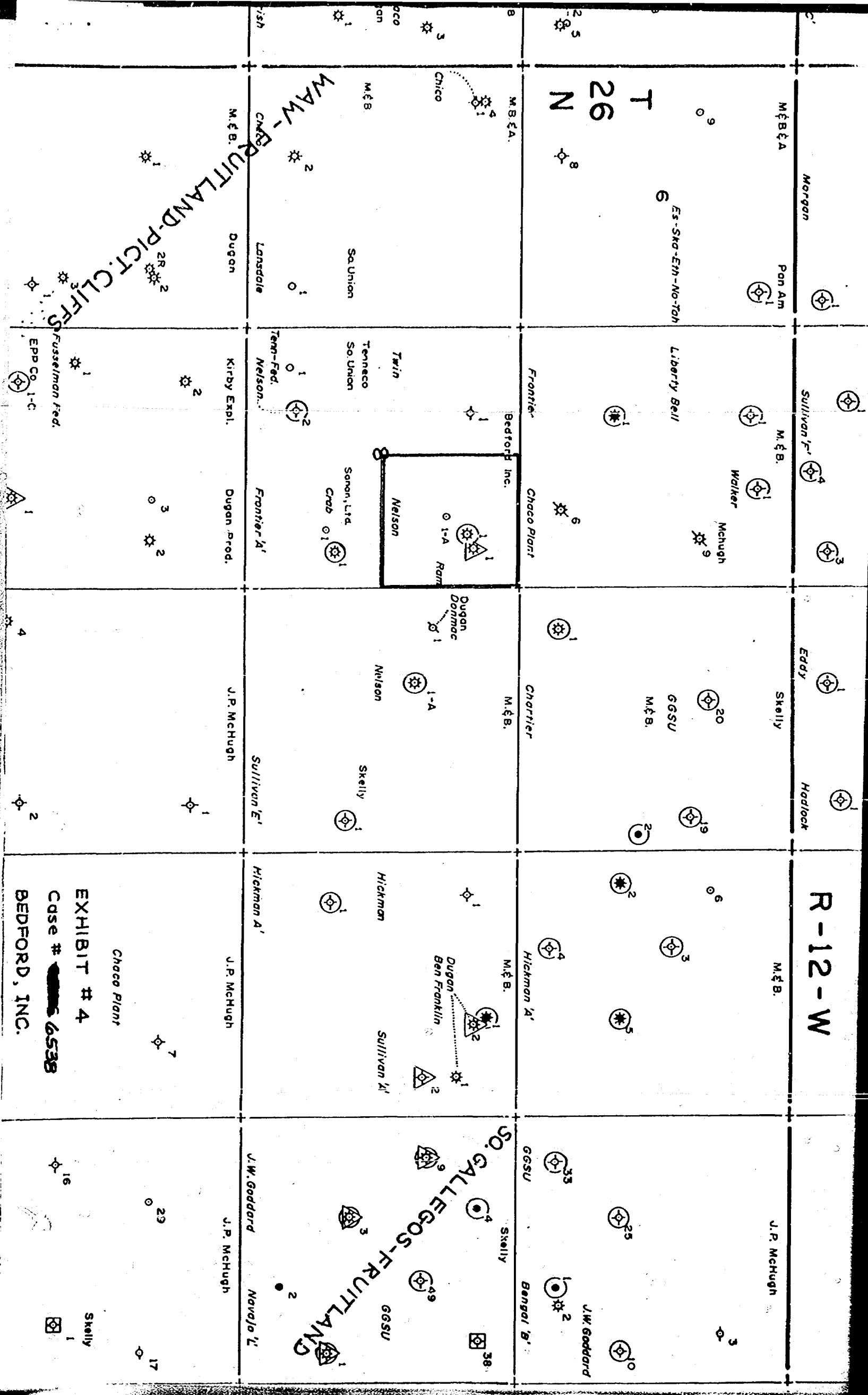
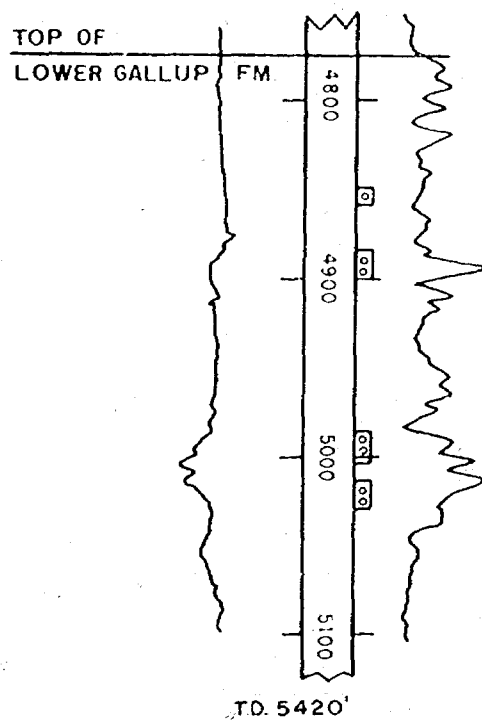
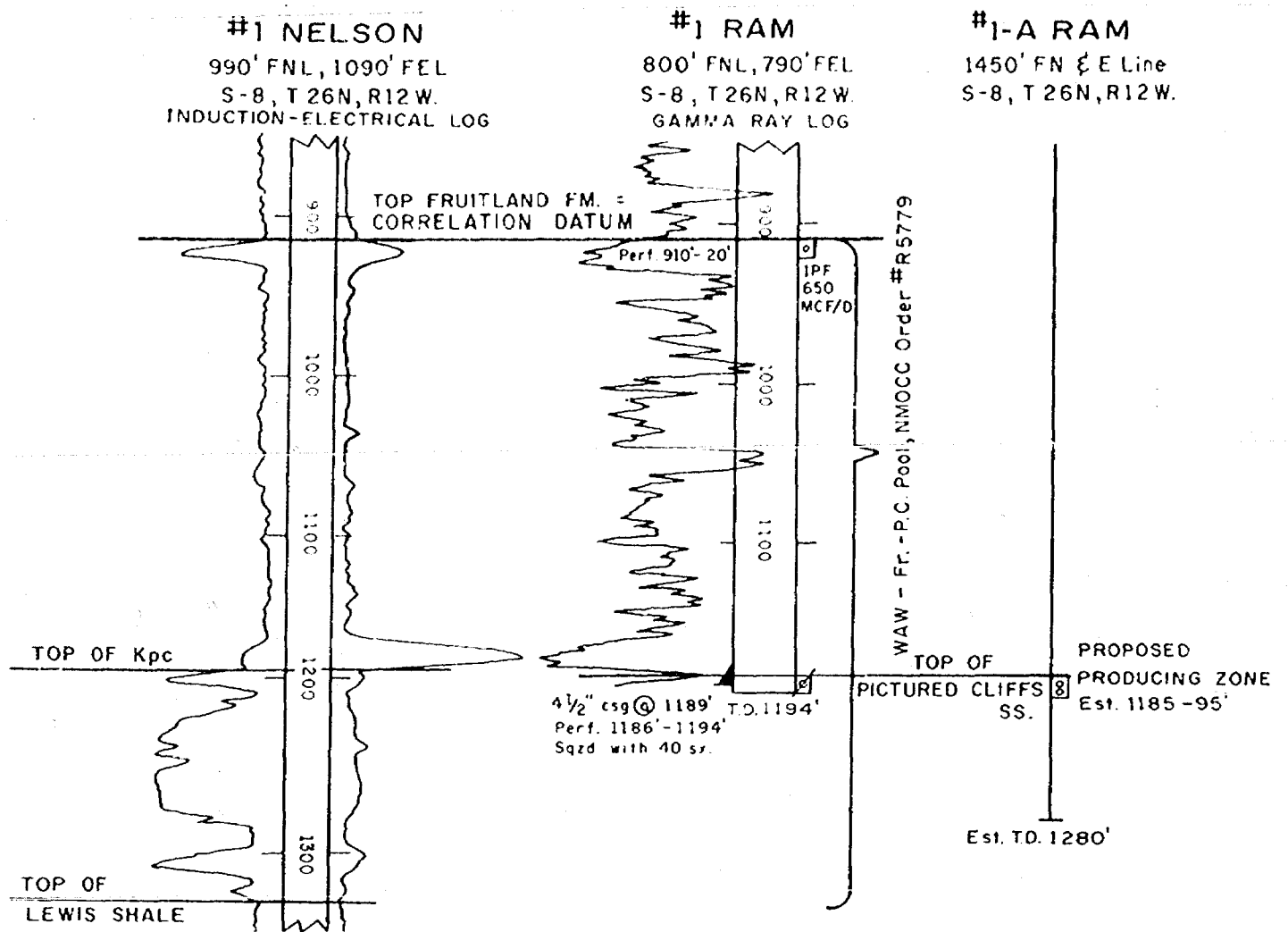
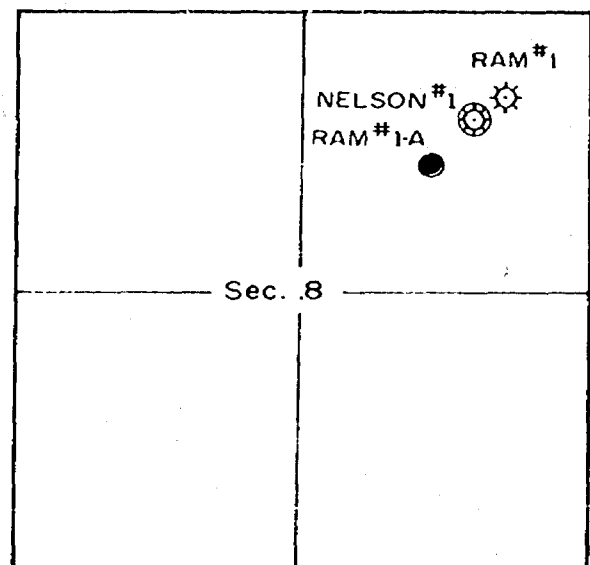


EXHIBIT # 4
Case # 6538
BEDFORD, INC.

EXHIBIT NO. 1 - NMOCC CASE NO. ⁶⁵³⁸~~6536~~ - BEDFORD, INC.



T 26N, R12W, N.M.P.M., SAN JUAN CO. N.M.



PLAT SHOWING RELATIVE LOCATION
OF #1 NELSON, #1 RAM & #1-A RAM WELLS.

SCALE: 1 MILE = 3 INCHES

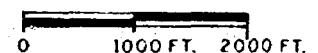


EXHIBIT #1

Case # ~~6536~~ 6538

BEDFORD, INC.

P.O. BOX 255, FARMINGTON, N.M.

MARCH 28, 1979

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPlicate
(Other Instructions on Reverse Side)Form approved:
Budget Bureau No. 42 H1424.

5. LEASE DESIGNATION AND SERIAL NO.

SF-081100-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT--" for such proposals.)

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2. NAME OF OPERATOR BEDFORD INC	8. FARM OR LEASE NAME RAM
3. ADDRESS OF OPERATOR PO Box E, Farmington, N.M. 87401	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface. 890' FNL 790' FEL Sec. 8 T26N, R12W SAN JUAN Co, N.M.	10. FIELD AND POOL, OR WILDCAT Wildcat
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, CR, etc.) 5967 GL
12. COUNTY OR PARISH SAN JUAN	13. STATE N.M.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON* ☐CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☒FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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@ 1189', Cemented w/ 120 sx Reg Cement.
Plug down @ 3:00pm.12-18-75 Drilled out Float & Shoe
Drilled to TD 1194'1-5-76 Move in Completion Rig, Picked up
2 3/4" Tbg, Set tbg @ 1194'1-9-76 PL making water & GAS TSTM
Squeezed PL w/ 40sx will Attempt Fracturing

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

SIGNED

Samuel Bedford

TITLE

Operator

DATE

1-20-76

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

EXHIBIT NO. 2

CASE NO. 6538

BEDFORD, IND.

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIP DATE
(Other Instructions
verse side)Form approved.
Budget Bureau No. 42-11424.

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SF-081100-A

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T26N, R12W SAN JUAN Co. N.M.

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5967 GR

7. UNIT AGREEMENT NAME

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Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

SEC. 8, T26N, R12W

N.M.P.M.

12. COUNTY OR PARISH

SAN JUAN

13. STATE

N.M.

16.

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NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

SHOOT OR ACIDIZE

ABANDON*

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(Other)

(Other)

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1-15-76 FRAC well w/ 15,000⁺ 20/40 SAND w/ 15,000 gal water BD Press 1800 psi Treating Press 1250 psi INJ Rate 24 BPM. Shut in 500 psi.

1-16-76 RAN 902' 1 1/4" Tbg, Swab well in. GAUGED 650 MCF/day. Shut well in. Waiting on Gas Sales Connection

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

SIGNED

Larry Bedford

TITLE

Engineer

DATE

JAN 20, 76

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE

EXHIBIT NO. 3

CASE NO. 6538

BEDFORD, INC.

*See Instructions on Reverse Side

R-12-W

Morgan

Sullivan 'F'

Eddy

Haddock

M. & B.

J. P. McHugh

M. & B. A.

Pan Am

M. & B.

Skelly

Haddock

M. & B.

J. P. McHugh

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Es-Sko-Eih-No-Tah

Liberty Bell

Walker

McHugh

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M. & B.

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Hickman 'A'

M. & B.

Skelly

Bengal 'B'

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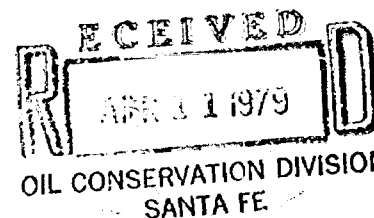
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Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
500 Don Gaspar Avenue
Post Office Box 1769
Santa Fe, New Mexico 87501

Telephone 982-4285
Area Code 505

April 11, 1979



Mr. Joe Ramey
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-

Re: Bedford, Inc.
Application for infill drilling

Dear Joe:

Please set the enclosed case for hearing on the next available docket which I understand to be May 9th.

I would appreciate written confirmation of the hearing date for this case.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin".

W. Thomas Kellahin

WTK:kfm

Enclosure

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 12, 1979

C
O
P
Y

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico 87501

Dear Tom:

The application of Bedford, Inc. for approval of infill drilling in San Juan County, New Mexico, was received on April 11, 1979. It has been set for the examiner hearing of May 9, 1979.

A copy of the docket will be mailed to you as soon as it is printed.

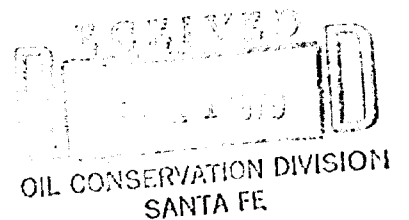
Yours very truly,

Florene Davidson
Administrative Secretary

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

Case 6538

IN THE MATTER OF THE APPLICATION
OF BEDFORD, INC. FOR INFILL DRILLING
SAN JUAN COUNTY, NEW MEXICO



A P P L I C A T I O N

Comes now Bedford Inc., and applies to the Oil Conservation Division for an order for wellhead price ceiling category determination pursuant to the Special Rules of the Division and Part 271.305(b) Federal Energy Regulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978 and in support thereof would show the Division:

1. Applicant is the operator of the Ram Well No. 1 located in Section 8, T26N, R12W, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico.
2. Applicant proposes to drill a second well onto the same 160 acre proration and spacing unit dedicated to the Ram Well No. 1, said second well to be the Ram Well No. 1-A located in Unit G of Section 8, T26N, R12W, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico, spudding said well after a well classification determination has been made.
3. The subject well is projected to penetrate the Pictured Cliff formation of the subject pool.
4. Applicant seeks a determination pursuant to the F.E.R.C. Rules, Part 271.305 that the subject well is necessary to effectively and efficiently drain a portion of the WAW-Fruitland Pictured Cliff Pool covered by the proposed proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

WHEREFORE Applicant respectfully requests that this matter be set for hearing on March 28, 1979 and that after notice and hearing the Division enter its order making the

wellhead price ceiling category determination as requested.

Respectfully submitted,

BEDFORD, INC.

By



KELLAHIN & KELLAHIN

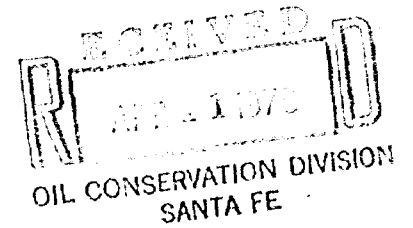
P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BEDFORD, INC. FOR INFILL DRILLING
SAN JUAN COUNTY, NEW MEXICO



A P P L I C A T I O N

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4. Applicant seeks a determination pursuant to the F.E.R.C. Rules, Part 271.305 that the subject well is necessary to effectively and efficiently drain a portion of the WAW-Fruitland Pictured Cliff Pool covered by the proposed proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

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Respectfully submitted,

BEDFORD, INC.

By



KELLAHIN & KELLAHIN

P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6538

Order No. R-6027

APPLICATION OF BEDFORD, INC.
FOR APPROVAL OF INFILL DRILLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 9
19 79, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of May, 19 79, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Bedford, Inc., seeks a waiver of
existing well spacing requirements and a finding that the drilling
of its Ram Well No. 1-A located in Unit G of Section 8, Township
26 North, Range 12 West, WAW Fruitland-Pictured Cliffs Pool, San

Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

(3) That the standard spacing unit in the WAW Fruitland-Pictured Cliffs Pool is 160 acres. *standard*

(4) That Bedford, Inc. is the operator of an *a* 160 *proration unit* acre tract consisting of the NE/4 of said Section 8 in the WAW Fruitland-Pictured Cliffs Pool.

~~(5) That applicant's _____-acre tract is communitized with the _____ of said Section _____ forming an approved _____-acre non-standard proration unit for said pool.~~

(5) That said 160-acre ~~non-standard~~ proration unit is dedicated to the applicant's Ram Well No. 1 located in Unit A of said Section 8.

(6) That ~~production from said~~ Ram Well No. 1 is ~~declined from an average monthly rate of _____ MCF in~~ productive from the Fruitland zone of the WAW Fruitland- ~~Pictured Cliffs Pool but is non-productive from the Pictured~~ Cliffs zone of said pool.

~~(8) That during _____ said _____ was extensively worked over, being cleaned out, having additional zones perforated, and being acid fraced.~~

~~(9) That said workover was unsuccessful and in fact production declined to an average rate of _____ MCF per month or a figure equal to about _____ percent of its preworkover rate.~~

~~(10) That the evidence presented demonstrated that said _____ is no longer effectively and efficiently draining said dedicated _____-acre non-standard proration unit.~~

(7) That the applicant proposes to complete its Ram Well No 1-A in the Pictured Cliffs zone of the WAW Fruitland-Pictured Cliffs Pool.

indicates

(8) That the evidence ~~presented further demonstrated~~ that if the drilling and completion of applicant's said Ram Well No. 1-A in the Pictured Cliffs zone of said pool is successful, said Ram well ~~should result in the production of an additional~~ No. 1-A should recover additional MCF of gas from applicant's acreage which would not otherwise be recovered from the proration unit.

(9) That such additional recovery from the non-standard proration unit will result in such unit being more efficiently and economically drained.

(10) That said Ram Well No. 1-A is to be drilled as an "infill" well on the existing 160 -acre ~~non-standard~~ proration unit.

(11) That in order to permit the drainage of a portion of the reservoir covered by said 160 -acre ~~non-standard~~ proration unit which cannot be effectively and efficiently drained by the existing well thereon, the subject application for infill drilling should be approved as an exception to the standard well spacing requirements for said WAW Fruitland-Pictured Cliffs Pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Bedford, Inc., is hereby authorized to drill its Ram Well No. 1-A to be located in Unit G of Section 8, Township 26 ^{North} ~~South~~, Range 12 West, as an infill well on an ~~xxx~~ existing 160 -acre ~~non-standard~~ proration unit being the NE/4 of said Section 8, WAW Fruitland-Pictured Cliffs Pool, San Juan County, New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by the existing 160 -acre ~~non-standard~~ proration unit which cannot efficiently and economically be drained by any existing well thereon.

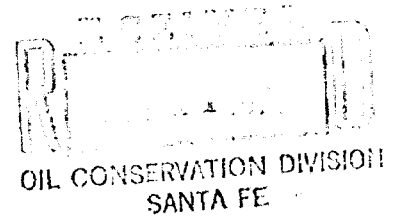
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

Case 6538

IN THE MATTER OF THE APPLICATION
OF BEDFORD, INC. FOR INFILL DRILLING
SAN JUAN COUNTY, NEW MEXICO



A P P L I C A T I O N

Comes now Bedford Inc., and applies to the Oil Conservation Division for an order for wellhead price ceiling category determination pursuant to the Special Rules of the Division and Part 271.305(b) Federal Energy Regulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978 and in support thereof would show the Division:

1. Applicant is the operator of the Ram Well No. 1 located in Section 8, T26N, R12W, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico.
2. Applicant proposes to drill a second well onto the same 160 acre proration and spacing unit dedicated to the Ram Well No. 1, said second well to be the Ram Well No. 1-A located in Unit G of Section 8, T26N, R12W, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico, spudding said well after a well classification determination has been made.
3. The subject well is projected to penetrate the Pictured Cliff formation of the subject pool.
4. Applicant seeks a determination pursuant to the F.E.R.C. Rules, Part 271.305 that the subject well is necessary to effectively and efficiently drain a portion of the WAW-Fruitland Pictured Cliff Pool covered by the proposed proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

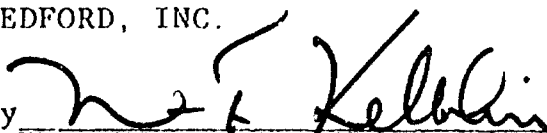
WHEREFORE Applicant respectfully requests that this matter be set for hearing on March 28, 1979 and that after notice and hearing the Division enter its order making the

wellhead price ceiling category determination as requested.

Respectfully submitted,

BEDFORD, INC.

By



KELLAHIN & KELLAHIN

P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT