PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico August 15, 1963

File:

H-809-400.1

Subject:

NMOCC Case No. 2318

Order No. R-2027

Wood Oil Unit No. 1 Cha Cha Gallup Field

San Juan County, New Mexico



New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Supplementing our letter dated November 20, 1961, File: H-1367-400.1, regarding well costs for the Wood Oil Unit No. 1 which were recorded thru October, 1961, we are listing below additional costs since that date:

Total Costs as of October 31, 1961

\$62,201.20

\$73,580.02

Additional Costs Incurred During the Months of March, October, and November, 1962:

Revised total Well Costs through November, 1962

| Well Equipment Construction Well Head Tubing Pumps and Other Lifting Equipment Noncontrollable Tangible Material | \$1,421.49 (132.75) 17.31 6,323.27 3,396.62 | \$11,025.94 |
|--|---|--------------------------------|
| Lease_Equipment | | |
| Construction | \$ 103.22 | |
| Tank Battery Walkway | 117.18 | |
| Noncontrollable Tangible Material | <u>159.91</u> | \$ 380.31 |
| Total Recorded During March, October, and November, 1962 | | \$11,406.25 |
| Less: Adjustment of Charges Recorded from inception to October 31, | | |
| Overhead Charges | | (27.43) |
| Total Adjustment | | \$11,378.82 <u>\$11,378.82</u> |
| | | <u>.</u> |

August 15, 1963 File: H-809-400.1

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

I M. Curtis, T. M. Curtis,

District Superintendent

GLH:ep

EXICO

July 9, 1963

Mr. Hal M. Stierwalt P. O. Box 359 Farmington, New Mexico

> Re: Case No. 2318, Order No. R-2027

Dear Mr. Stierwalt:

Pursuant to our telephone conversation last Friday, I am enclosing herewith copies of the itemized schedules of well costs filed by Pan American Petroleum Corporation in the above case.

If a hearing is necessary to settle your dispute with Pan American, please forward an application for hearing and we will place the case upon the docket.

Very truly yours,

J. M. DURRETT, Jr. Attorney

JMD/esr Enclosures

cc: Oil Conservation Commission (with enclosure) - Aztec

for

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico October 26, 1961

File: H-494-400

Subject: NMOCC Case No. 2318

Order No. R-2027 Wood Oil Unit No. 1

Cha Cha Gallup Field

San Juan County, New Mexico

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

In compliance with the conditions of Case No. 2318, Order No. R-2027, we are listing below an itemized schedule of well costs for the Wood Oil Unit No. 1.

| Drilling Costs: | | |
|-------------------------------------|---------------|-------------|
| Day Work - Drilling Contract | \$ 2,770.73 | |
| Turnkey Contract | 21,632.50 | |
| Truck and Service Equipment | 2,714.25 | |
| Bits and Equipment Rental | 860.60 | |
| Well Surveys and Test Services | 1,418.62 | |
| Acidizing, Shooting and Perforating | 7,742.97 | |
| Cementing Casing | 890.11 | |
| Geological and Engineering | 60.18 | |
| Material and Supplies - Other | 612.88 | |
| Other Labor - Company | 256.16 | |
| Other Labor - Contract | 1,498.24 | |
| Other Drilling Costs | <u>118.28</u> | \$40,575.52 |
| Well Equipment: | | |
| Construction Costs | \$ 177.48 | |
| Well Head | 921.27 | |
| Casing | 6,292.36 | |
| Tubing | 3,299.93 | |
| Valuation Reserve | (36.55) | |
| Noncontrollable Tangible Material | 117.29 | 10,771.78 |
| | | |
| Lease Equipment: | 4 400 00 | |
| Pipe, Used for Operating Purposes | \$ 130.38 | |
| Valuation Reserve | (1,217.76) | |
| Tanks | 3,783.28 | |
| Separator | 1,477.71 | |
| Construction Costs | 2,042.39 | 0 510 17 |
| Noncontrollable Tangible Material | 3,302.17 | 9,518.17 |

| Page 2 | | | |
|------------|-----|--------------|------------|
| New Mexico | 0i1 | Conservation | Commission |

| Overhead Charges: | | | |
|--------------------------------------|-------------------|-------------|---------|
| Field | \$ 168.92 | | |
| District | 50.96 | | |
| Administrative | 212.27 | | |
| Misc. Charges | <u> 37.67</u> | \$ | 469.82 |
| Total Costs as of September 30, 1961 | | <u>\$61</u> | ,335,29 |

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

October 26, 1961 File: H-494-400

T. M. Curtis

District Superintendent

GLH:ep

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico November 20, 1961

File:

H-1367-400

Subject;

NMOCC Case No. 2318

Order No. R-2027 Wood Oil Unit No. 1 Cha Cha Gallup Field

San Juan County, New Mexico

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Due to additional costs recorded during the month of October, 1961, we are submitting below a revised itemized schedule of well costs for the Wood Oil Unit No. 1. In this respect, please disregard our letter of October 26, 1961, File: H-494-400, above subject.

| Drilling Costs: Day Work - Drilling Contract Turnkey Contract Truck and Service Equipment Bits and Equipment Rental Well Surveys and Test Services Acidizing, Shooting and Perforating Cementing Casing Geological and Engineering Material and Supplies - Other Other Labor - Company Other Labor - Contract Other Drilling Costs | \$ 2,770.73 21,632.50 2,846.58 860.60 1,565.04 7,742.97 890.11 60.18 773.54 256.16 1,638.27 118.28 | \$41,154.96 |
|---|---|---------------|
| Well Equipment: | | , . -, |
| Construction Costs | \$ 257.38 | |
| Well Head | 921.27 | |
| Casing | 6,292.36 | |
| Tubing | 3,299.93 | |
| Valuation Reserve | (36,55) | |
| Noncontrollable Tangible Material | 117.29 | 10,851.68 |
| Lease Equipment: | | |
| Pipe, Used for Operating Purposes | \$ 1,160.18 | |
| Valuation Reserve | (1,085.84) | |
| Tanks | 3,783.28 | |
| Separator | 1,477.71 | |
| Construction Costs | 2,520.18 | : |
| Noncontrollable Tangible Material | 1,869.23 | 9,724.74 |

| November | 20, | 1961 |
|----------|-------|-------|
| File: H | -1367 | 7-400 |
| | | |

| Overhead Charges: | | |
|------------------------------------|-----------|-------------|
| Field | \$ 168.92 | |
| District | 50.96 | |
| Administrative | 212.27 | |
| Misc. Charges | 37.67 | \$ 469.82 |
| Total Costs as of October 31, 1961 | | \$62,201.20 |

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

T. M. Curtis

District Superintendent

GLH:ep