NORTHWEST PIPELINE CORPORATION

ONE PARK CENTRAL, SUITE 1487 DENVER, COLORADO 80202 (303) 623-9303

November 1, 1978

Mr. James A. Gillham United States Geological Survey Post Office Drawer 1857 Roswell, New Mexico 88201

Commissioner of Public Lands State of New Mexico Attention: Mr. Ray D. Graham Post Office Box 1148 Santa Fe, New Mexico 87501

Energy and Minerals Department Oil Conservation Division State of New Mexico Attention: Mr. Joe Ramey Post Office Box 2088 Santa Fe, New Mexico 87501

Re: San Juan 29-5 Unit
No. 14-08-001-437
NOTICE OF COMPLETION OF
ADDITIONAL MESAVERDE WELLS

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 29-5 Unit Agreement, approved November 21, 1952, Northwest Pipeline Corporation, as Unit Operator, has determined that the following wells capable of producing unitized substances in paying quantities have been completed upon acreage committed to the Unit:

The San Juan Unit No. 11A well is located 1050 feet from the North Line and 815 feet from the West Line, Section 19, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on February 4, 1978 and completed on February 24, 1978 in the Mesaverde Formation at a plug back depth of 5981'. The Mesaverde Formation was perforated with one hole at each of the following depths: 5510', 5518', 5524', 5532', 5536', 5540', 5546', 5554', 5562', 5568', 5684', 5719', 5754', 5762', 5768', 5782', 5840', 5846', 5854', 5868', 5874', 5882', 5888', 5898', 5904', 5910', 5916', 5942', 5958', 5968'. These perforations were

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treated with 1500 gallons of $7\frac{1}{2}$ % Hcl followed by a sand-water fracturing. The well was shut-in February 14, 1978 for 10 days with a SIPT of 742 psig and SIPC of 821 psig. On February 24, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 3422 MCFD with a calculated AOF of 8239 MCFD.

The San Juan Unit No. 12A well is located 1030 feet from the North Line and 790 feet from the West Line, Section 30, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on April 3, 1978 and completed on April 24, 1978 in the Mesaverde Formation at a plug back depth of 5942'. Mesaverde Formation was perforated with one hole at each of the following depths: 5394', 5423', 5442', 5448', 5468', 5476', 5484', 5518', 5532', 5556', 5567', 5611', 5623', 5653', 5720', 5726', 5732', 5744', 5750', 5786', 5792', 5798', 5804', 5810', 5816', 5827', 5837', 5856', 5876', 5896'. These perforations were treated with 1000 gallons of 71% Hcl followed by a sand-water fracturing. The well was shut-in April 11, 1978 for 13 days with a SIPT of 641 psig and SIPC of 924 psig. On April 24, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 3670 MCFD with a calculated AOF of 8230 MCFD.

The San Juan Unit No. 13A well is located 1835 feet from the South Line and 1020 feet from the East Line, Section 30, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on January 25, 1978 and completed on 3/23/78 in the Mesaverde Formation at a plug back depth of 6002'. The Mesaverde Formation was perforated with one hole at each of the following depths: 5476', 5480', 5484', 5488', 5492', 5500', 5504', 5508', 5526', 5548', 5570', 5592' 5606', 5610', 5614', 5618', 5706', 5712', 5738', 5768', 5824', 5828', 5832', 5844', 5848', 5852', 5860', 5866', 5894', 5898'. These perforations were treated with 1000 qallons 75% Hcl followed by a sand-water fracturing. well was shut-in 2/4/78 for 57 days with a SIPT of 672 psig and SIPC of 690 psig. On 3/23/78, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 1866 MCFD with a calculated AOF of 2672 MCFD.

The San Juan Unit No. 25A well is located 800 feet from the South Line and 1810 feet from the East Line, Section 18,

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Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on January 5, 1978 and completed on January 30, 1978 in the Mesaverde Formation at a plug back depth of 5822'. The Mesaverde Formation was perforated with one hole at each of the following depths: 5372', 5386', 5390', 5394', 5398', 5402', 5406', 5410', 5414', 5418', 5446', 5452', 5524', 5530', 5556', 5562', 5600', 5614', 5684', 5704', 5710', 5716',5738', 5748', 5756', 5764', 5772', 5778', 5784', 5790'. These perforations were treated with 1500 gallons of 7½% Hcl followed by a sand-water fracturing. The well was shut-in January 15, 1978 for 15 days with a SIPT of 503 psig and SIPC of 595 psig. On January 30, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8" tubing, the well gauged 1322 MCFD with a calculated AOF of 1982 MCFD.

The San Juan Unit No. 26A well is located 800 feet from the North Line and 1170 feet from the West Line, Section 18, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, This well was spudded on December 23, 1977 and New Mexico. completed on January 12, 1978 in the Mesaverde Formation at a plug back depth of 5775'. The Mesaverde Formation was perforated with one hole at each of the following depths: 5308', 5316', 5320', 5326', 5330', 5334', 5340', 5344', 5347', 5519', 5558', 5586', 5592', 5646', 5650', 5654', 5660', 5664', 5680', 5684', 5689', 5702', 5706', 5715', 5720', 5730', 5734', 5738', 5742', 5746'. These perforations were treated with 1500 gallons of 71% Hcl followed by a sand-water fracturing. The well was shut-in January 5, 1978 for seven days with a SIPT of 728 psig and SIPC of 737 psig. On January 12, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 1889 MCFD with a calculated AOF of 3655 MCFD.

The San Juan Unit No. 27A well is located 1600 feet from the South Line and 790 feet from the East Line, Section 19, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on January 15, 1978 and completed on February 1, 1978 in the Mesaverde Formation at a plug back depth of 6014'. The Mesaverde Formation was perforated with one hole at each of the following depths: 5472', 5492', 5500', 5504', 5508', 5514', 5522', 5526', 5540', 5570', 5582', 5602', 5606', 5627', 5637', 5723', 5740', 5792', 5824', 5828', 5836', 5844', 5856', 5862', 5877', 5888', 5892', 5904', 5926', 5960'. These perforations were treated with 1500 gallons of 7½% Hcl followed by a sand-water fracturing. The well was shut-in January 25,

Mr. James A. Gillham et al Page 4 November 1, 1978

1978 for seven days with a SIPT of 681 psig and SIPC of 738 psig. On February 1, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 2035 MCFD with a calculated AOF of 3927 MCFD.

Since these wells were drilled within the existing Mesaverde Participating Area, the Participating Area is not enlarged by virtue of these infill wells, and the percentage of participation remains the same.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Yours very truly,

NORTHWEST PIPELINE CORPORATION

Betty R. Burnett

Supervisor of Contracts and Units

BRB:vh Attachment

cc: Working Interest Owners

SAN JUAN 29-5 UNIT Working Interest Owners

Sun Oil Company Attention: V. M. Williams Post Office Box 2880 Dallas, Texas 75221

Phillips Petroleum Company Attention: Mr. N. N. Beckner 1000 Security Life Building Denver, Colorado 80202

Mr. Forrest B. Miller and Ms. Mabelle M. Miller 1224 Lois Street Post Office Box 1445 Kerrville, Texas 78028

Koch Industries, Inc. Post Office Box 2256 Wichita, Kansas 67201

General American Oil Company of Texas Attention: Mr. L. E. Dooley Meadows Building Dallas, Texas 75206

Amoco Production Company Attention: Mr. T. M. Curtis Security Life Building Denver, Colorado 80202

The Wiser Oil Company Post Office Box 2467 Hobbs, New Mexico 88240

Mr. J. William McElvain 310 East Jefferson Street Morris, Illinois 60450

El Paso Natural Gas Company Attention: Mr. James R. Permenter Post Office Box 1492 El Paso, Texas 79978

Mr. James E. McElvain, Executor for the Estate of Carl R. McElvain, Deceased 309 West Jefferson Street
Morris, Illinois 60450

Mrs. Catherine B. McElvain, Individually and as Executrix of the Estate of T. H. McElvain, Deceased Post Office Box 2148 Santa Fe, New Mexico 87501

Mr. Tom Bolack 1010 North Dustin Drive Farmington, New Mexico 87401

American Petrofina Company of Texas Post Office Box 2159 Dallas, Texas 75221

Ms. Ruth M. Vaughan 300 Caversham Road Bryn Mawr, Pennsylvania 19010

NORTHWEST PIPELINE CORPORATION

ONE PARK CENTRAL, SUITE 1487 DENVER, COLORADO 80202 (303) 623-9303

June 26, 1978

Mr. James A. Gillham United States Geological Survey Post Office Drawer 1857 Roswell, New Mexico 88201

Commissioner of Public Lands State of New Mexico Attention: Mr. Ray D. Graham Post Office Box 1148 Santa Fe, New Mexico 87501

Energy and Minerals Department Oil Conservation Division State of New Mexico Attention: Mr. Joe Ramey Post Office Box 2088 Santa Fe, New Mexico 87501 No. 418

Juga Sa la

Re: San Juan 29-5 Unit #14-08-001-437
Rio Arriba County, New Mexico
INITIAL PARTICIPATING AREA
PICTURED CLIFFS FORMATION
Effective October 31, 1977

FIRST EXPANSION OF THE PARTICIPATING AREA - PICTURED CLIFFS FORMATION Effective February 1, 1978

Gentlemen:

Pursuant to Section 11(a) of the San Juan 29-5 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, determined on the dates indicated below that the San Juan 29-5 Unit Wells Nos. 80-Com and 78 were capable of producing unitized substances in paying quantities from the Pictured Cliffs formation and should create the Initial Participating Area and the First Expansion of the Participating Area for the Pictured Cliffs formation as follows:

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INITIAL PARTICIPATING AREA - Effective October 31, 1977

Drilling Block

Acres

Well Name & No.

E/2 Sec. 23-29N-5W

280 - Unit (SE/4, E/2 NE/4, #80-ComSW/4 NE/4) 40 - Non-Unit (NW/4 NE/4)

San Juan 29-5 Unit

Pertinent Data is as follows:

The San Juan 29-5 Unit No. 80 Com Well is located 1740' from the North Line and 1460' from the East Line, Section 23, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on August 25, 1977, and completed on October 4, 1977, in the Pictured Cliffs formation at a plug back total depth of 3702'. The Pictured Cliffs formation was perforated with one hole at each of the following depths: 3558', 3562', 3570', 3574', 3578', 3582', 3586', 3591', 3602', 3606', 3612', 3616', 3624', and 3630'. These perforations were treated with 7-1/2% hydrochloric acid, followed by a sand-water fracturing. The well was shutin October 4, 1977 for 27 days with a SIPC of 1022 psig. On October 31, 1977, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-3/8 inch tubing, the well gauged 2071 MCFD with a calculated AOF of 2164 MCFD.

FIRST EXPANSION OF THE PARTICIPATING AREA - Effective February 1, 1978

Drilling Block

Acres

Well Name & No.

E/2 (Lots 1,2, S/2 NE/4, SE/4) Sec. 6-29N-5W

320.66

San Juan 29-5 Unit #78

Pertinent Data is as follows:

The San Juan 29-5 Unit No. 78 Well is located 790' from the North Line and 1850' from the East Line, Section 6, Township 29 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on August 11, 1977, and completed on January 17, 1978, in the Pictured Cliffs formation at a plug back total depth of 3733'.

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The Pictured Cliffs formation was perforated with one hole per foot in the interval 3662' to 3686'. These perforations were treated with 500 gallons of 15% Hcl, followed by a sand-water fracturing. The well was shut-in August 26, 1977 for 144 days with a SIPC of 1010 psig. On January 17, 1978, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke on the 2-7/8 inch casing, the well gauged 2482 MCFD with a calculated AOF of 2646 MCFD.

Attached are Schedules I and II and ownership map showing the Initial and First Expansion of the Participating Area for the Pictured Cliffs formation of the San Juan 29-5 Unit. The Schedules respectively describe the Initial Participating Area and the First Expansion and show the percentage of unitized substances allocated to the drilling block tracts. Inasmuch as these need no official approval, no provision is made therefor and, in the absence of disapproval, the captioned Initial Participating Area will become effective October 31, 1977 and the First Expansion effective February 1, 1978.

Copies of this letter, Schedules, and map are being sent to the Working Interest Owners shown on the attached list.

Sincerely,

Betty R. Burnett

Supervisor of Contracts and Units

BRB:mk
Attachments

cc: Working Interest Owners

Working Interest Owners

Sun Oil Company Attention: V. M. Williams P. O. Box 2880 Dallas, TX 75221

Phillips Petroleum Company Attention: Mr. N. N. Beckner 1000 Security Life Building Denver, CO 80202

Mr. Forrest B. Miller and Mabelle M. Miller 1224 Lois Street P. O. Box 1445 Kerrville, TX 78028

Koch Industries, Inc. P. O. Box 2256 Wichita, KS 67201

General American Oil Company of Texas Attention: Mr. L. E. Dooley Meadows Building Dallas, TX 75206

Amoco Production Company Attention: Mr. T. M. Curtis Security Life Building Denver, CO 80202

The Wiser Oil Company P. O. Box 2467 Hobbs, NM 88240

Mr. J. William McElvain 310 East Jefferson Street Morris, IL 60450

El Paso Natural Gas Company Attention: James R. Permenter P. O. Box 1492 El Paso, TX 79978

Mr. James E. McElvain, Executor for the Estate of Carl R. McElvain, Deceased 309 West Jefferson Street Morris, IL 60450

Mrs. Catherine B. McElvain, Individually and as Executrix of the Estate of T. H. McElvain, Deceased P. O. Box 2148 Santa Fe, NM 87501

Mr. Tom Bolack 1010 North Dustin Drive Farmington, NM 87401

American Petrofina Company of Texas P. O. Box 2159
Dallas, TX 75221

Ruth M. Vaughan 300 Caversham Road Bryn Mawr, PN 19010

NORTHWEST PIPELINE CORPORATION

UNIT AREA EXPANSION SCHEDULE

SCHEDULE I

INITIAL PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION SAN JUAN 29-5 UNIT

			USA SF 079033		SERIAL NUMBER	
		Sec. 23: $SE/4$, $E/2 NE/4$, $SW/4 NE/4$	T 29 N, R 5 W		DESCRIPTION	
	NE/4	NE/4	280.00		OF ACRES	NUMBER
	ORRI;	Working Interest: Sun Oil Company (Del.);	Royalty:	Tract 13-A	OWNERSHIP	DRILLING BLOCK
100.00%	3.00%	84.50%	12.50%		PERCENTAGE	[]
100.00%	3.00%	. 84.50%	12.50%		COMMITTED	PERCENTAGE
			100.00%*		PARTICIPATION	PRESENT ACTU

Total Number of Acres in Participating Area Total Number of Acres Committed in Participating Area

280.00 280.00

*Pursuant to Com. Agr. - SRM-1171, this tract participates for 75% of the San Juan 29-5 Unit Well #80 Com and Non-Unit lands, NW/4 NE/4 Sec. 23 participates for 25%

Effective October 31, 1977

UNIT AREA EXPANSION SCHEDULE

SCHEDULE II

FIRST EXPANSION OF THE PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION SAN JUAN 29-5 UNIT

USA SF 079033	USA SF 078410	SERIAL NUMBER
T 29 N, R 5 W Sec. 23: SE/4, E/2 NE/4 & SW/4 NE/4	T 29 N, R 5 W Sec. 6: Lots 1,2, S/2 NE/4,SE/4 (E/2)	DESCRIPTION
280.00 NE/4	320.66	NUMBER OF ACRES
Royalty: Working Interest: Sun Oil Co. (Del.); ORRI;	Royalty: Working Interest: Northwest Pipeline Corporn Orri;	OWNERSHIP DRILLING BLOCK
12.50% 84.50% 3.00% 100.00%	6 12.50% Corp.; 82.50% 5.00% 100.00%)CK PERCENTAGE
12.50% 84.50% 3.00% 100.00%	12.50% 82.50% 5.00% 100.00%	PERCENTAGE COMMITTED
*46.615390%	53.384610%	PRESENT ACTU PARTICIPATI

Total Number of Acres in Participating Area Total Number of Acres Committed in Participating Area

600.66

*Pursuant to Com. Agr. - SRM-1171, this tract participates for 75% of the San Juan 29-5 Unit Well #80 Com and Non-Unit lands, NW/4 NE/4 Sec. 23 participates for 25%