

NORTHWEST PIPELINE CORPORATION

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

August 12, 1980

420

Mr. Jack Willock
Assistant Area Oil
and Gas Supervisor
United States Geological Survey
Western National Bank Building
505 Marquette NW, Suite 815
Albuquerque, New Mexico 87102

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

State of New Mexico
Oil Conservation Commission
Attention: Mr. Joe Ramey
Post Office Box 2088
Santa Fe, New Mexico 87501

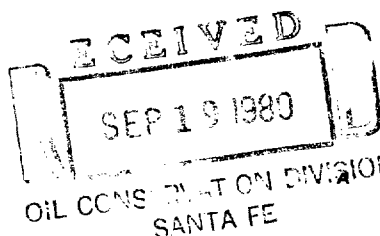
Re: San Juan 32-7 Unit
No. 14-08-001-441
San Juan County, New Mexico
NINETEENTH EXPANDED
PARTICIPATING AREA
Mesaverde Formation
Effective September 1, 1977

NOTICE OF COMPLETION OF
ADDITIONAL MESAVERDE WELL

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-7 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, determined on the date indicated below that the following well which is capable of producing unitized substances in paying quantities from the Mesaverde formation has been completed upon a drilling block containing a portion of acreage committed to the unit and that the Participating Area for the Mesaverde should be expanded as follows:

NINETEENTH EXPANDED PARTICIPATING AREA - Effective September 1, 1977



SUBSIDIARY OF NORTHWEST ENERGY COMPANY

<u>Drilling Block</u>	<u>Acres</u>	<u>Well Name and No.</u>
Section 2: W $\frac{1}{2}$ SW $\frac{1}{4}$	320.00	Federal #2 Well
Section 3: E $\frac{1}{2}$ SE $\frac{1}{4}$		
Section 10: NE $\frac{1}{4}$		
T31N-R7W		

Pertinent well data on this well is as follows:

The Federal #2 Well is located 1,525 feet from the North Line and 1,850 feet from the East Line, Section 10, Township 31 North, Range 7 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on July 16, 1977 and completed on August 23, 1977 in the Mesaverde formation at a plug back depth of 5,878'. The Mesaverde formation was perforated with one shot per foot at each of the following depths:

5607', 5613', 5693', 5701', 5711', 5719', 5731,
5744', 5755'.

These perforations were treated with 500 gallons of 15% HCL followed by a sand/mini max fluid fracturing. The well was shut-in August 16, 1977 for 7 days with a SIPT of 1084 psig and a SIPC of 1085 psig. On August 23, 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 guaged 2978 MCFD with a calculated AOF of 4408 MCFD.

NOTICE OF COMPLETION OF ADDITIONAL WELL

Northwest Pipeline Corporation, as Unit Operator, has determined the following well capable of producing unitized substances in paying quantities and has been completed on a nonstandard proration unit containing a portion of acreage committed to the Unit:

The Federal #2A Well is located 1,190 feet from the South Line and 800 feet from the East Line, Section 3, Township 31 North, Range 7 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on August 22, 1977 and completed on October 13, 1977 in the Mesaverde formation at a plug back depth of 6,043'. The Mesaverde formation was perforated with one shot per foot at each of the following depths:

5652', 5655', 5664', 5669', 5705', 5708', 5712',
5716', 5811', 5817', 5822', 5824', 5833', 5853',
5858'.

These perforations were treated with 500 gallons of 15% HCL followed by a sand/mini-max fluid fracturing. The well was shut-in October 5, 1977 for 7 days with a SIPT of 1086 psig and a SIPC of 1086 psig. On October 13, 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 guaged 2725 MCFD with a calculated AOF of 4502 MCFD.

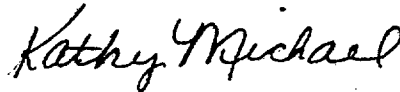
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The Mesaverde Participating Area is not enlarged by virtue of this infill well and the percentage of participation remains the same.

Attached are Schedule XXI and ownership map showing the Nineteenth Expanded Participating Area for the Mesaverde Formation of the San Juan 32-7 Unit Area. This Schedule describes the Expanded Participating Area and shows the percentage of unitized substances allocated to each tract. Inasmuch as this needs no official approval, no provision is made therefore; and in the absence of disapproval, the subject expansion will become effective September 1, 1977.

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

Very truly yours,

A handwritten signature in cursive script that reads "Kathy Michael".

Kathy Michael
Land Records Coordinator

KM:pe
Attachments

cc: Working Interest Owners

SAN JUAN 32-7 UNIT
WORKING INTEREST OWNERS

Mr. J. Glenn Turner, Jr.
Independent Co-Executor of the
Estate of J. Glenn Turner, Deceased
1700 Mercantile Bank Building
Dallas, Texas 75206

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

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

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

Mrs. Iris Gerber Damson
25 Mamaroneck Road
Scarsdale, New York 10583

Amoco Production Company
Attention: Mr. A. M. Roney
1000 Security Life Building
Denver, Colorado 80202

SCHEDULE XXI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTU PARTICIPATI
TRACT 6							
3F 078543	T-32-N, R-7-W Sec. 27: SW $\frac{1}{4}$ Sec. 35: NE $\frac{1}{2}$	480.00	Royalty; Working Interest; Northwest Pipeline Corporation; ORRI; TOTAL	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	5.299171	
TRACT 7							
3F 078669	T-32-N, R-7-W Sec. 21: W $\frac{1}{2}$ NW $\frac{1}{4}$	80.00	Royalty; Working Interest; Southland Royalty; ORRI; TOTAL	12.50% 87.50% 0.00% 100.00%	0.00% 0.00% 0.00% 100.00%	0.000000	
TRACT 10							
3F 078996	T-31-N, R-7-W Sec. 3: Lots 5,6,7,8, N/2SE/4, W/2SW/4 Sec. 4: Lots 5,6,7,8,S/2 Sec. 5: Lots 5,6,7,8,SE/4, E/2SW/4 Sec. 8: E/2	1368.20	Royalty; Working Interest; Northwest Pipeline Corporation; ORRI; TOTAL	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	15.104846	
TRACT 11							
3F 078998	T-31-N, R-7-W Sec. 9: N/2 Sec. 17: A11	960.00	Royalty; Working Interest; Northwest Pipeline Corporation; ORRI; TOTAL	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	10.598343	

EFFECTIVE SEPTEMBER 1, 1977

SCHEDULE XXI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACT PARTICIPAT
			OWNERSHIP	PERCENTAGE		
<u>TRACT 15</u>						
NM 05540	<u>T-32-N, R-7-W</u> Sec. 9: <u>SW₄SW₄</u>	40.00	Royalty; Working Interest: Northwest Pipeline Corporation; ORRI;	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>	.44159
<u>TRACT 16</u>						
E-178-4	<u>T-32-N, R-7-W</u> Sec. 16: <u>W₂W₂</u>	160.00	Royalty; Working Interest: Unleased; ORRI;	12.50% 87.50% 0.00% <u>100.00%</u>	12.50% 87.50% 0.00% <u>100.00%</u>	1.766390
<u>TRACT 17</u>						
E-503-3	<u>T-32-N, R-7-W</u> Sec. 16: <u>E₂W₂</u>	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.500% 65.625% 21.875% <u>100.000%</u>	12.500% 65.625% 21.875% <u>100.000%</u>	1.766390
<u>TRACT 17-A</u>						
E-503-12	<u>T-32-N, R-7-W</u> Sec. 32: <u>E₂W₂</u> Sec. 36: All	800.00	Royalty; Working Interest: Northwest Pipeline Corporation; ORRI;	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>	8.831952
<u>TOTAL</u>						

EFFECTIVE SEPTEMBER 1, 1977

SCHEDULE XXI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTL PARTICIPATI
			OWNERSHIP	PERCENTAGE		
TRACT 21						
Fee	T-32-N, R-7-W	732.58	Royalty;	12.50%	12.50%	8.087640
	Sec. 7: Lots 1,2,3, SE $\frac{1}{4}$ & NE $\frac{1}{4}$ SW $\frac{1}{4}$		Working Interest:			
	Sec. 8: Lots 1,2,3, E $\frac{1}{2}$ SW $\frac{1}{4}$ & W $\frac{1}{2}$ SE $\frac{1}{4}$ & NE $\frac{1}{4}$ SE $\frac{1}{4}$		Northwest Pipeline Corporation;	87.50%	87.50%	
	Sec. 9: Lot 4 & NW $\frac{1}{4}$ SW $\frac{1}{4}$		ORRI;	0.00%	0.00%	
	Sec. 18: 13.36 acre tract in NE $\frac{1}{4}$ NE $\frac{1}{4}$		TOTAL	<u>100.00%</u>	<u>100.00%</u>	
	Sec. 21: W $\frac{1}{2}$ NE $\frac{1}{4}$ & E $\frac{1}{2}$ NW $\frac{1}{4}$					
TRACT 21-A						
Fee	T-32-N, R-7-W	1.00	Royalty;	12.50%	12.50%	.011040
	Sec. 7: 1 acre out of SW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$		Working Interest:			
			Northwest Pipeline Corporation;	87.50%	87.50%	
			ORRI;	0.00%	0.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
TRACT 22						
Fee	T-32-N, R-7-W	603.73	Royalty;	12.50%	12.50%	6.665143
	Sec. 7: 17.09 acres out of E $\frac{1}{2}$ SE $\frac{1}{4}$		Working Interest:			
	Sec. 18: W $\frac{1}{2}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ & 26.64 acre tract in NE $\frac{1}{4}$ NE $\frac{1}{4}$		Northwest Pipeline Corporation;	84.50%	84.50%	
			ORRI;	3.00%	3.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
	Sec. 20: SW $\frac{1}{4}$ SW $\frac{1}{4}$					
	Sec. 29: NW $\frac{1}{4}$ NW $\frac{1}{4}$ & S $\frac{1}{2}$ NW $\frac{1}{4}$ & N $\frac{1}{2}$ SW $\frac{1}{4}$ & SW $\frac{1}{4}$ SW $\frac{1}{4}$					

EFFECTIVE SEPTEMBER 1, 1977

EFFECTIVE SEPTEMBER 1, 1977

SCHEDULE XXI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTU PARTICIPATIO
<u>TRACT 23</u>							
See	T-32-N, R-7-W Sec. 20: E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 21: SW $\frac{1}{4}$	240.00	Royalty; Working Interest: Northwest Pipeline Corporation; ORRI;		12.50% 87.50% 0.00% 100.00%	12.50% 87.50% 0.00% 100.00%	2.649586
<u>TRACT 24</u>							
See	T-32-N, R-7-W Sec. 32: W $\frac{1}{2}$ SW $\frac{1}{4}$	160.00	Royalty; Working Interest: Northwest Pipeline Corporation; ORRI;		12.50% 87.50% 0.00% 100.00%	12.50% 87.50% 0.00% 100.00%	1.766390
<u>TRACT 25</u>							
See	T-32-N, R-7-W Sec. 8: Lot 4, W $\frac{1}{2}$ SW $\frac{1}{4}$	99.41	Royalty; Working Interest: Northwest Pipeline Corporation; ORRI;		12.50% 87.50% 0.00% 100.00%	12.50% 87.50% 0.00% 100.00%	1.097481
<u>TRACT 26</u>							
See	T-31-N, R-7-W Sec. 3: E $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$	160.00	Royalty; Working Interest: Palmer Oil and Gas; ORRI;		20.00% 80.00% 0.00% 100.00%	00.00% 00.00% 0.00% 100.00%	0.000000

SCHEDULE XXI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACT PARTICIPAT
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TRACT 28

Fee	T-31-N, R-7-W Sec. 10: NW $\frac{1}{4}$	160.00	Royalty; Working Interest; Palmer Oil and Gas; ORRI;	20.00%	00.00%	0.000000
			TOTAL	100.00%	100.00%	

RECAPITULATION

Township 31 North, Range 7 West, N.M.P.M.
 Section 3: Lots 5,6,7,8,S/2
 Section 4: Lots 5,6,7,8,S/2
 Section 5: Lots 5, 6, 7, 8, SE $\frac{1}{4}$ & E $\frac{1}{2}$ SW $\frac{1}{4}$
 Section 8: E $\frac{1}{2}$
 Section 10: NW $\frac{1}{4}$
 Section 17: All

Township 32 North, Range 7 West, N.M.P.M.
 Section 7: (Frac.) All
 Section 8: (Frac.) All
 Section 9: (Frac.) W $\frac{1}{2}$ SW $\frac{1}{4}$
 Sections 17, 20, 21, 22, 35, 36: All
 Sections 16, 27, 29, 32: W $\frac{1}{2}$
 Section 23: SW $\frac{1}{4}$
 Sections 18, 28: E $\frac{1}{2}$

Total Number of Acres in Participating Area: 9458.02
 Total Number of Acres Committed to Participating Area: 9058.02
 Total Number of Acres Not Committed to Participating Area: 400.00