

NORTHWEST PIPELINE CORPORATION

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

October 4, 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

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

Re: San Juan 32-8
Unit No. 14-08-001-446
San Juan County, New Mexico
FIRST EXPANSION OF THE
PARTICIPATING AREA FRUITLAND
FORMATION - Effective
November 1, 1977

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-8 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, determined on the date indicated below that the San Juan 32-8 Unit Well No. 37 was capable of producing unitized substances in paying quantities from the Fruitland formation and was completed on a drilling block committed to this Unit which should create the First Expansion of the Participating Area for the Fruitland as follows:

First Expansion Participating Area - Effective November 1, 1977.

<u>Drilling Block</u>	<u>Acres</u>	<u>Well Name & Number</u>
E/2 Section 23-32N-8W	320.00	San Juan 32-8 No. 37

Pertinent well data is as follows:

The San Juan Unit No. 37 well is located
1645 feet from the South Line and 975

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feet from the East Line, Section 23,
Township 32 North, Range 8 West, N.M.P.M.,
San Juan County, New Mexico. This well
was spudded on October 10, 1976 and com-
pleted on October 14, 1977 in the Fruitland
formation at a plug-back depth of 3670'.
The Fruitland formation was perforated
with one hole at each of the following
depths:

3591	3625	3620'-3640'	- 20 holes w/lspf
3596	3630	3610'-3614'	- 4 holes w/lspf
3606	3636	3588'-3596'	- 8 holes w/lspf
3611	3642	Total - 41 holes 0.32"	
3616			

These perforations were treated with
200 gal 15% HCl followed by a sand-water
fracturing. The well was shut-in October
4, 1977 for 10 days. On October 14,
1977, the well was tested and after flowing
for three (3) hours through a 0.750 inch
variable choke on the 2" tubing, the
well gauged 853 MCFD with a calculated
AOF of 856 MCFD.

Attached are Schedule II and ownership map showing the
First Expansion of the Participating Area for the Fruitland
formation of the San Juan 32-8 Unit. The Schedule describes
the First Expansion of the Participating Area and shows
the percentage of unitized substances allocated to the drilling
block tract. Inasmuch as this needs no official approval,
no provision is made therefor and in the absence of disapproval
the captioned First Expansion of the Participating Area will
become effective November 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,


Betty R. Burnett

Supervisor of Contracts and Units

BRB:vh
Attachments

cc: Working Interest Owners

San Juan 32-8 Unit
Working Interest Owners

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

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

Getty Oil Company
Attention: Mr. J. E. Hofmann
Three Park Central, Suite 700
Denver, Colorado 80202

Sun Oil Company (Delaware)
Attention: Unitization & Joint Operations
P. O. Box 30
Dallas, Texas 75221

Texaco, Inc.
Box 2100
1570 Grant Street
Denver, Colorado 80201

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

UNIT AREA EXPANSION SCHEDULE

SCHEDULE II
FIRST EXPANSION PARTICIPATING AREA FOR THE FRUITLAND FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		

TRACT 15

SF 079380	T-32-N, R-8-W Section 23: E/2	320.00	Royalty: Working Interest: El Paso Natural Gas Company: ORRI:	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>	50.00%
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TRACT 16

SF 079381	T-32-N, R-8-W Section 25: E/2	320.00	Royalty: Working Interest: El Paso Natural Gas Company: ORRI:	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>	50.00%
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Total number of acres in Participating Area - 640
Percentage of Interest Committed to Participating Area - 100%