

Memo

From

MICHAEL E. STOGNER
PETROLEUM ENGINEER

To Frank

*I don't think Teroro sent
a copy of this to you.*

Any comments?

M. Stogner

Memo

From

To Mike Stogner

FRANK T. CHAVEZ
District Supervisor

*Enclosed files annual DOR tests
on this well until 1974.*

*I have no problems with the
comingling at this time.*

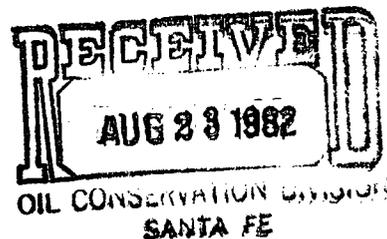
Frank



Tesoro Petroleum Corporation

August 18, 1982

Mr. Michael Stonger
Oil Conservation Commission
Box 2088
Santa Fe, NM 87501



Dear Mr. Stonger:

Enclosed are copies of the approved permit for Santa Fe Railroad #20 to deepen into the Lower Hospah. Also included are the most recent sundry notice sent to the Aztec office and another copy of the letter sent to Mr. Ramey on June 2, 1982. We hope this information will be sufficient in order to have the allowable processed.

Thank you.

Sincerely,

Francine Ingraham

Francine Ingraham
Production Clerk

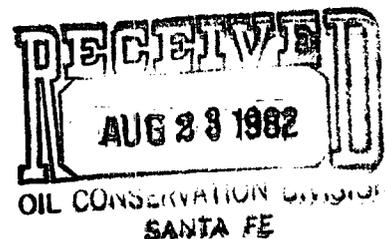
Enclosures



Tesoro Petroleum Corporation

August 18, 1982

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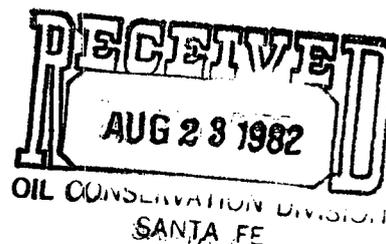
Francine Ingraham
Production Clerk

Enclosures



Tesoro Petroleum Corporation

June 2, 1982



RE: Santa Fe RR #20

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

Dear Sir:

Recently after the completion of SFRR #42 in the Lower Hospah for 33 BOPD and 160 BWPD, we decided to complete well #20 (see plat) to the Lower Hospah. This well was drilled in 1970 and an attempt was made to complete into the Upper Hospah. However, after perforating the two Upper zones with no fluid entry the well was deepened 20' to expose more of the Upper Hospah. The result was two (2) barrels of water with a scum of oil and after pumping for a short time the well would give up no fluid. The well has been abandoned since then (12 years).

Tesoro would like to deepen this well into the Lower Hospah as a final attempt to obtain oil production to a new TD of 1667' (42').

A request was issued (see attached copy) to Frank Chavez, Supervisor in District #3, to do this work and he believed it advisable to request permission to commingle the Upper and Lower Hospah. Even though there would be no possible production from the Upper Hospah, both zones would be open simultaneously. The marginal economics would not justify the squeezing and liner work necessary to mechanically seal off the Upper Hospah zone. Tesoro believes that on this well and other wells in this 40 acre ("F") area of the field that the Upper Hospah is non-productive and effectively sealed.

- continued -

Mr. Joe Ramey
New Mexico Oil Conversation Commission
June 2, 1982

Page 2

A recent swab test from the Upper Hospah zone yielded no fluid.

The gravity of the Upper Hospah crude is 30° API and the Lower Hospah is 26° API. The produced water from both zones in the field is fresh with identical physical and chemical constituents.

It is therefore requested that based on this that Tesoro be granted permission to leave the Upper Hospah open and attempt a completion in the Lower Hospah. It is also requested that production not be restricted if the Lower Hospah should produce more than 20 BOPD since the Upper Hospah will not produce.

We believe that correlative rights will not be violated and conservation would be enhanced by this project.

Sincerely,



W. F. Parks
District Operations Manager

cc: Mr. Joe Howard
Mr. Frank Chavez, Supervisor District #3
Mr. Paul Doyle, Tenneco Oil

WFP:pll

Enclosures

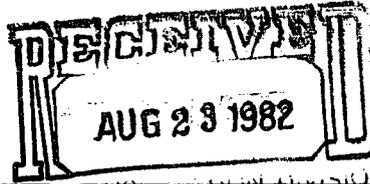


RECEIVED JUN 17 1982

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

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DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	



5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

a. Type of Work

b. Type of Well DRILL DEEPEN PLUG BACK

OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

c. Name of Operator
Tesoro Petroleum Corporation

d. Address of Operator
2000 1st of Denver Plaza, Denver, CO 80202

e. Location of Well UNIT LETTER "F" LOCATED 1800 FEET FROM THE North LINE

AND 2010 FEET FROM THE West LINE OF SEC. 7 TWP. 17N RGE. 8W NMPM

7. Unit Agreement Name

8. Farm or Lease Name
Santa Fe Railroad

9. Well No.
20

10. Field and Pool, or Wildcat
South Hospah, Lower Hospah

12. County
McKinley

19. Proposed Depth 1667' KB
19A. Formation Lower Hospah
20. Rotary or C.T. Rotary

21. Elevations (Show whether DF, RT, etc.) 6992' KB 6990' GL
21A. Kind & Status Plug. Bond NM Blanket
21B. Drilling Contractor Tesoro Company Unit
22. Approx. Date Work will start May 20, 1982

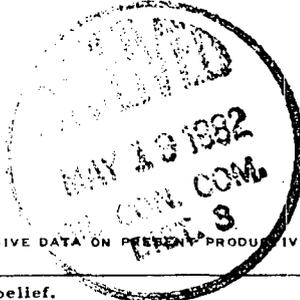
PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	62'	50	Surface
7 7/8"	5 1/2"	14#	1605'	100	940' +
4 3/4"	Open hole	N/A	1667'	N/A	N/A

The well is presently completed in the Upper Hospah. The Upper Hospah is tight and has never produced more than 2 barrels of fluid per day. It is considered non-productive. It is proposed to deepen the well about 42' to the Lower Hospah.

This project will allow the production of additional reserves from the Lower Hospah which would otherwise be left in place. Therefore, this project will insure conservation of oil resources.

*Small
McKinley
South Hospah*



ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSING TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Jim Yates Title Production Engineer Date 5-5-82

(This space for State Use)

APPROVED BY Bob J. Day TITLE SUPERVISOR DISTRICT # 3 DATE MAY 19 1982

CONDITIONS OF APPROVAL, IF ANY:

Upper Hospah to be

Hold C104 for DHC

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

AMENDED

All distances must be from the outer boundaries of the Section

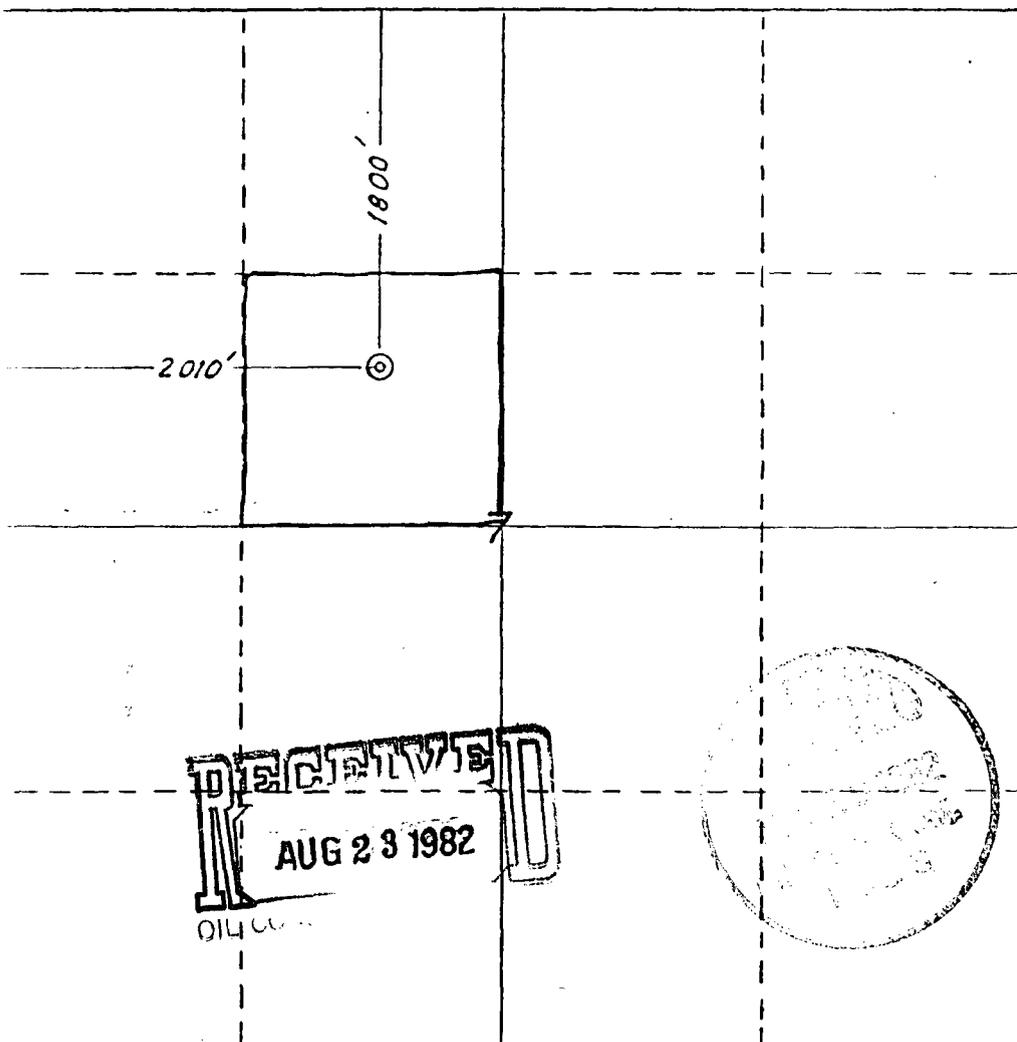
Operator Tesoro Petroleum Corporation		Lease Santa Fe Railroad			Well No. 20
Well Letter F	Section 7	Township 17 North	Range 8 West	County McKinley	
Actual Footage Location of Well: 1800 feet from the North line and 2010 feet from the West line					
Ground Level Elev. 6980'	Producing Formation Lower Hospah		Pool South Hospah-Lower Sand	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

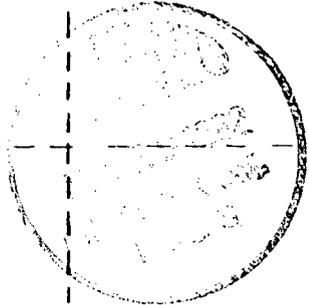
Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



RECEIVED
AUG 23 1982
OIL CON.



CERTIFICATION

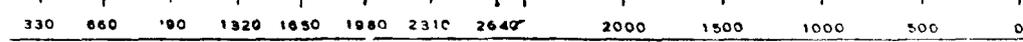
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Jim Yates
Name
Jim Yates
Position
Production Engineer
Company
Tesoro Petroleum Corporation
Date
May 17, 1982

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

RECEIVED
MAY 4 1970
OIL CON. COM.
DIST. 3
Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.



OIL CONSERVATION DIVISION
 P. O. BOX 2088
 SANTA FE, NEW MEXICO 87501

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U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
 State Fee
 5. State Oil & Gas Lease No.

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" (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL GAS WELL OTHER

Name of Operator
 Tesoro Petroleum Corporation

Address of Operator
 633 17th St., #2000, Denver, CO 80202

Location of Well
 UNIT LETTER F 1800 FEET FROM THE North LINE AND 2010 FEET FROM

THE West LINE, SECTION 7 TOWNSHIP 17N RANGE 8W NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
 6980' GL

7. Unit Agreement Name
 8. Farm or Lease Name
 Santa Fe Railroad
 9. Well No.
 20
 10. Field and Pool, or Wildcat
 S. Hospah - Lower Sand
 12. County
 McKinley

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

NOTICE OF INTENTION TO:

FORM REMEDIAL WORK
 TEMPORARILY ABANDON
 OR ALTER CASING
 OTHER
 PLUG AND ABANDON
 CHANGE PLANS

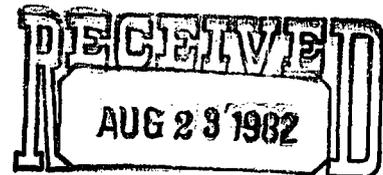
SUBSEQUENT REPORT OF:

REMEDIAL WORK
 COMMENCE DRILLING OPNS.
 CASING TEST AND CEMENT JOBS
 OTHER Deepened to Lower Hospah
 ALTERING CASING
 PLUG AND ABANDONMENT

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

6/18/82 Drilled to new TD of 1655' GL (deepened 39' into Lower Hospah).
 RIH w/51 joints 2 7/8" tubing w/seating nipple set at 1609' and 64 3/4"
 rods w/2 1/2 x 2 1/4 x 12' tubing pump. Set pumping unit.

6/21/82 24 hr. test - 173.90 TBF, 43.47 BO, 130.43 BW



OIL CONSERVATION DIVISION
 SANTA FE

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

By [Signature] TITLE District Operations Manager DATE 6/21/82

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY: