

Stogner, Michael

To: Kay Maddox
Subject: SEMU #151

I commenced reviewing Conoco's request for the #151 this morning (that's when it finally reached the top of the heap). In reviewing the Division's records in this matter I found that I need an updated detailed report as to the status (completion, tests, and production) of the State 25-A Well No. 5 (**API No. 30-025-35156**), recently drilled at a standard oil well location within your proposed 160-acre unit 695' FSL & 795' FEL (Unit P) of Section 25. Did the geological information observed in this well serve to confirm or dispute Conoco's previous geological interpretation of this reservoir presented in November? Explain in detail. Thanks.

This well
location still
appears to
have been an
after thought (Tubb
to Strawn) and
not geological

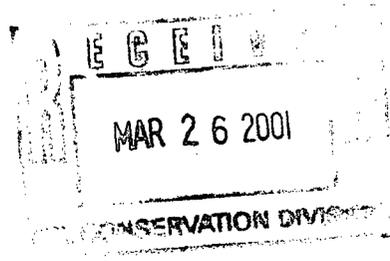


Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

March ²³~~20~~, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87504



RE: Additional Data requested for Nonstandard location application for:

SEMU #151 – New Drill
Section 25, T-20-S, R-37-E, I
1650 FSL & 330 FEL
API # 30-025-35338
Lea County, NM

Dear Mr. Stogner,

The information below is in response to your request for additional data concerning the completion and production of the offset State 25 A # 5, Section 25, 795' FEL & 695' FSL, T-20-S, R-37-E well in Lea County, NM.

The Top of the Strawn came in 51 feet low to prognosis resulting in the Strawn being thinner than anticipated. Referring to Exhibit #4 from the OCD hearing on November 16, 2000, the results of the State 25A # 5 indicate that the low at -4075 approaching the State 25A # 5 location from the west is much more pronounced and probably connects with the low in section 31. This interpretation indicates that the structural separation between the structural high at the Hardy 36 State #26 and the SEMU #134 structural high is much greater than currently mapped. The SEMU #151 proposed location would attempt to get higher on structure and establish high volume Strawn production in the southeast quarter of section 25. This location was also chosen as a possible Tubb recompletion to access reserves east of the high allowable Tubb completion in the SEMU # 134 well. The SEMU # 82 well to the west has a poor Tubb section and the SEMU # 151 location was chosen to evaluate the Tubb between the two wells.

The Strawn interval encountered did not have the amount of clean dolomite or porosity development which was anticipated. There was only twelve feet of clean dolomite encountered and the maximum porosity was 12% over a five foot interval. The results of this well indicate how complex the reservoir is in the North Hardy Strawn Pool. The high porosity dolomite is discontinuous and difficult to find. The results from this well were disappointing and a revised geologic model is in progress.

Please see the attached completion report and the current daily production from the State 25 A # 5. If any additional information is required please contact me at (915) 686-5798.

Sincerely,

Kay Maddox
Regulatory Agent – Conoco

Submit To Appropriate District Office:
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-105
 Revised March 25, 1999

WELL API NO. 30 025 35156

5. Indicate Type of Lease
 STATE FEE

State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 State "25A"

8. Well No. 5

9. Pool name or Wildcat
 North Hardy Strawn

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER _____

2. Name of Operator
 Conoco, Inc.

3. Address of Operator
 10 Desta Dr., Suite 100W, Midland, TX 79705

4. Well Location
 Unit Letter P Section 25 Township 20S Range 37E NMPM Lea County
 Feet From The 795' East Line and 695' South Feet From The _____ Line

10. Date Spudded 11-16-00
 11. Date T.D. Reached 12-9-00
 12. Date Compl. (Ready to Prod.) 3-3-01
 13. Elevations (DF& RKB, RT, GR, etc.) 3505' GR
 14. Elev. Casinghead _____

15. Total Depth 7920'
 16. Plug Back T.D. 7909'
 17. # Multiple Compl. How Many Zones? _____
 18. Intervals Drilled By _____ Rotary Tools X Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name
 Strawn @ 7639 - 7716'

20. Was Directional Survey Made no

21. Type Electric and Other Logs Run GR/CBL/CCL
 22. Was Well Cored no

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT FULLED
8 5/8"	24#	1520'	12 1/4"	665 sx C1 C	none
5 1/2"	17#	7909'	7 7/8"	1975 sx C1 C	none

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 7/8"	7600'	

26. Perforation record (interval, size, and number)
 7639-7643, 7668-7680, 7684-7696', 7701-7716' w/2 spf

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7639-7716'	16,000 gals 20% NEFE

28. PRODUCTION

Date First Production 3-3-01
 Production Method (Flowing, gas lift, pumping - Size and type pump) pumping
 Well Status (Prod. or Shut-in) producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio
3-7-01	24			53	78	25	1472

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)
	90					37

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sales
 Test Witnessed By _____

30. List Attachments
 Inclination, C-104 & logs

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature  Printed Name Ann E. Ritchie
 Title Regulatory Agent Date 3-8-01

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

- T. Anhy _____
- T. Salt _____
- B. Salt _____
- T. Yates 2682
- T. 7 Rivers 2938
- T. Queen 3512
- T. Grayburg 3786
- T. San Andres 4018
- T. Glorieta 5268
- T. Paddock _____
- T. Blinebry 5850
- T. Tubb 6335
- T. Drinkard 6678
- T. Abo 6942
- T. Wolfcamp _____
- T. Penn _____
- T. Cisco (Bough C) _____

- T. Canyon _____
- T. Strawn 7637
- T. Atoka _____
- T. Miss _____
- T. Devonian _____
- T. Silurian _____
- T. Montoya _____
- T. Simpson _____
- T. McKee _____
- T. Ellenburger _____
- T. Gr. Wash _____
- T. Delaware Sand _____
- T. Bone Springs _____
- T. _____
- T. _____
- T. _____
- T. _____

Northwestern New Mexico

- T. Ojo Alamo _____
- T. Kirtland-Fruitland _____
- T. Pictured Cliffs _____
- T. Cliff House _____
- T. Menefee _____
- T. Point Lookout _____
- T. Mancos _____
- T. Gallup _____
- Base Greenhorn _____
- T. Dakota _____
- T. Morrison _____
- T. Todillo _____
- T. Entrada _____
- T. Wingate _____
- T. Chinle _____
- T. Permian _____
- T. Penn "A" _____
- T. Penn "B" _____
- T. Penn "C" _____
- T. Penn "D" _____
- T. Leadville _____
- T. Madison _____
- T. Elbert _____
- T. McCracken _____
- T. Ignacio Otzte _____
- T. Granite _____
- T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
 No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

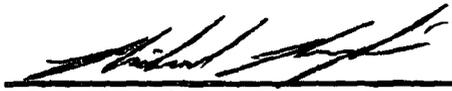
LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
			Tops as listed above.				

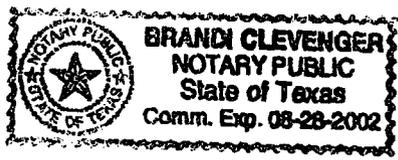
Conoco, Inc.
Attn: Narvie
P.O. Box 953
Midland, Texas 79702

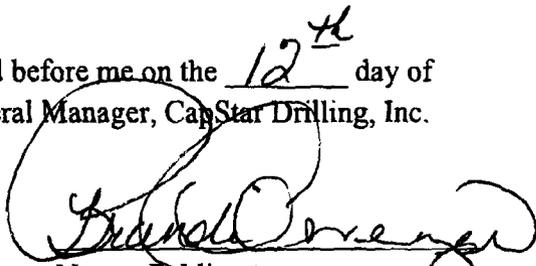
State 25 # 5
Lea County, New Mexico

487	4.87	3/4	1.31	6.39	6.39
1006	5.19	3/4	1.31	6.81	13.20
1520	5.14	1	1.75	9.00	22.20
1921	4.01	1 1/4	2.19	8.77	30.97
2299	3.78	1 1/4	2.19	8.27	39.24
2708	4.09	2	3.50	14.32	53.55
2992	2.84	2 1/2	4.38	12.43	65.98
3244	2.52	1 1/2	2.63	6.62	72.59
3559	3.15	1	1.75	5.51	78.11
4061	5.02	1	1.75	8.79	86.89
4565	5.04	1	1.75	8.82	95.71
5068	5.03	1 1/4	2.19	11.00	106.72
5573	5.05	1	1.75	8.84	115.55
6020	4.47	3/4	1.31	5.87	121.42
6525	5.05	3/4	1.31	6.63	128.05
7028	5.03	1 1/4	2.19	11.00	139.05
7531	5.03	1	1.75	8.80	147.85
7920	3.89	1 1/4	2.19	8.51	156.36


Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 12th day of December, 2000 by Michael Roghair - General Manager, CapStar Drilling, Inc.




Notary Public