50 YEARS

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

1935 - 1985

TONEY ANAYA
GOVERNOR

August 9, 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

HNG Oil Company
P. O. Box 2267
Midland, Texas 79702

Attention: Betty Gildon

Administrative Order TX-155

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 10,472 feet in the following well:

Well Name and Number: Salt Draw 2 Com. Well No. 1

Location: 1980' FNL and 660' FWL of Sec. 2, T-25-S, R-28-E, NMPM, Eddy County

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Very truly yours,

R. L. STAMETS,
Division Director

RLS/MES/h

cc: Oil Conservation Division - Artesia

pVEV2005132085

hng Oil Company

P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 686-3600

August 1, 1985

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, NM 87501

Attn: Mr. Joe D. Ramey
Division Director

In Re: Salt Draw 2 Com., Well No. 1
1980' FNL & 660' FWL
Section 2, T25S, R28E
Eddy County, New Mexico

Dear Mr. Ramey:

Tubing for the above-named well has been set at 10,472 feet, and casing perforated from 12,057 to 12,079 feet.

This office requests administrative exception to rule 107d.

Very truly yours,

HNG OIL COMPANY

Betty Gildon

Betty Gildon
Regulatory Analyst

bg

enclosures

hng Oil Company

P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 683-4871

August 1, 1985

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, New Mexico 87501

In Re: Salt Draw 2 Com., Well No. 1

Attn: Mr. Joe D. Ramey
Division Director

Dear Mr. Ramey:

There are several reasons why we feel that completions utilizing a TIW Polish Bore Receptable or Insert Seal Assembly is the most advantageous method to complete a well.

1. The inside diameter of the seal assembly is the same as the diameter of the tubing. Therefore, there is no restriction that would reduce the size of wireline tools that could be run in the hole.

2. The Polish Bore Receptacle has a full bore opening to the liner below it. This allows us to run bridge plugs, retainers, or bits into the liner if necessary.

3. The seal assembly - PBR hook-up allows for tubing movement while treating the well. It will withstand higher treating pressures during stimulation than would be possible with most other production packers.

4. In most of the wells drilled in this area there are several zones of interest. By having the seal assembly stung into the PBR, the lowest zone can be tested and if non-productive, squeezed. The next zone of interest can then be perforated, acidized and tested. All this can be accomplished without pulling the tubing. This can save a considerable amount of time and money.

The Polish Bore Receptacle is run on the top of the liner. The Insert Seal Assembly sets in the tie back sleeve at the top of the liner.

We feel that this Packer system not only saves us a considerable amount of time and money, but also is the most reliable Packer system available. Of the several hundred wells in which HNG Oil Company has utilized this system over the past years, we have had very few failures. If you have any questions, please feel free to give me a call.

Very truly yours,

George M. Hover
bg

George M. Hover
Petroleum Engineer III

GMH/bg

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Form C-105
Revised 11-1-58

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease: State [ ] Fee [X]

5. State Oil & Gas Lease No.:

1a. TYPE OF WELL

b. TYPE OF COMPLETION: OIL WELL [ ] GAS WELL [X] DRY [ ] OTHER ____
NEW WELL [XX] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

7. Unit Agreement Name:

8. Farm or Lease Name: Salt Draw 2 Com.

2. Name of Operator: HNG OIL COMPANY

9. Well No.: 1

3. Address of Operator: P. O. Box 2267, Midland, Texas 79702

10. Field and Pool, or Wildcat: UND. Salt Draw /Atoka/

4. Location of Well

UNIT LETTER E LOCATED 1980 FEET FROM THE north LINE AND 660 FEET FROM THE west LINE OF SEC. 2 TWP. 25S RGE. 28E NMPM

12. County: Eddy

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
1-27-85	3-11-85	6-27-85	2989.9' GR	2989.9'

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
13,400'	12,450'		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: 12,057 - 12,079 (Atoka)

25. Was Directional Survey Made: No

26. Type Electric and Other Logs Run: Comp. Neutron-Litho Density, Dual Laterolog Micro-SFL & BHC Sonic Log

27. Was Well Cored: No

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

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	61#	560'	17-1/2"	350 HL & 200 Cl C	Circulated
9-5/8"	36#	2560'	12-1/4"	1200 HL & 350 Cl C	Circulated
7"	23#	10815'	8-1/2"	850 HL & 600 Cl H	-

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
4-1/2"	10449	13400	350 Cl H	-

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	10472	10472
		MWL Seal Assemb

31. Perforation Record (Interval, size and number)
13114 - 13219 (.36" 12)
12973 - 13002 (.32" 16)
12842 - 12853 (.32" 8)
12693 - 12700 (.32" 8)
12057 - 12079 (.32" 12) - Acidized with /3500 gal 7-1/2% Mor Flo BC Acid

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
13114-13219	Sq.w/50 sx Cl H tested to 8000ps
12973-13002	Sq.w/50 sx Cl H tested to 6000ps
12842-12853	Sq.w/50 sx Cl H tested to 8000ps
12693-12700	Sq.w/50 sx Cl H tested to 8000ps

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
Flow to test 7/24/85	Flowing	Shut-in

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas-Oil Ratio
7/30/85	24	16/64"		0	1000	9	0

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

34. Disposition of Gas (Sold, used for fuel, vented, etc.): Vented

Test Witnessed By:

35. List of Attachments: Logs, Inclination report

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

SIGNED Betty Gildon Betty Gildon TITLE Regulatory Analyst DATE 8/1/85

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission 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 30 through 34 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		Northwestern New Mexico	
T. Anhy	T. Cherry Canyon 3310	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn 11853	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 12035	T. Pictured Cliffs	T. Penn. "D"
T. ~~Yates~~ Rustler 1100	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. ~~Simpson~~ Leonard Shale 6220	T. Gallup	T. Ignacio Qtzte
T. Glorieta	T. ~~McKee~~ Morrow Lime 12650	Base Greenhorn	T. Granite
T. Paddock	T. ~~Ellenburger~~ Morrow Clastics 12826	T. Dakota	T.
T. Blinebry	T. ~~Gr. Wash~~ Morrow Lime 12946	T. Morrison	T.
T. Tubb	T. ~~Granite~~ L. Morrow Shale 13320	T. Todilto	T.
T. Drinkard	T. Delaware Sand 2603	T. Entrada	T.
T. Abo	T. Bone Springs Lime 6376	T. Wingate	T.
T. Wolfcamp Lime 9582	T. 1st B.S. Sand 7315	T. Chinle	T.
T. Penn.	T. "T" Marker 7726	T. Permian	T.
T ~~Cisco (Bough C)~~ Brushy Canyon 4798	T. 2nd B.S. Sand 8145	T. Penn. "A"	T.
Cherry Canyon Marker 3617	3rd B.S. Sand 9185		

OIL OR GAS SANDS OR ZONES

No. 1, from Atoka 12057 to 12062 — No. 4, from ..... to .....

No. 2, from Atoka 12074 to 12079 — No. 5, from ..... to .....

No. 3, from ..... to ..... — No. 6, from ..... to .....

IMPORTANT WATER SANDS

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

No. 1, from None to ..... feet. .....

No. 2, from ..... to ..... feet. .....

No. 3, from ..... to ..... feet. .....

No. 4, from ..... to ..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	696	696	Surface Rock				
696	2858	2162	Anhy				
2858	4819	1961	Sand & Dolomite				
4819	6535	1716	100% Sand				
6535	7581	1046	Lime, Shale				
7581	7886	305	Sand, Lime, Shale				
7886	8534	648	100% Lime				
8534	12778	4244	Lime, Shale				
12778	12906	128	Lime, Shale, Chert				
12906	13390	484	Shale, Sand, Lime				
13390	13400	10	Shale, Lime				

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-73

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.)

1. OIL WELL ☐ GAS WELL ☒ OTHER- CO2
7. Unit Agreement Name: Bravo Dome Carbon Dioxide Gas Unit
2. Name of Operator: AMOCO PRODUCTION COMPANY
8. Farm or Lease Name: Bravo Dome Carbon Dioxide Gas Unit
3. Address of Operator: P.O. BOX 68, HOBBS, NEW MEXICO 88240
9. Well No.: 2434-311 G
4. Location of Well: UNIT LETTER G, 1850 FEET FROM THE North LINE AND 1650 FEET FROM THE East LINE, SECTION 31 TOWNSHIP 24-N RANGE 34-E NMPM.
10. Field and Pool, or Wildcat: Bravo Dome Carbon Dioxide Gas Unit 640-Acre Area
15. Elevation (Show whether DF, RT, GR, etc.): 5053' GL
12. County: Union

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

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON ☐	REMEDIAL WORK	☐	ALTERING CASING ☐
TEMPORARILY ABANDON	☐		COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING	☐	CHANGE PLANS ☐	CASING TEST AND CEMENT JOB	☐	
OTHER Amend original C-101		☒	OTHER		☐

17. 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.

Propose to amend original C-101, which was approved 5-9-85, to reflect the following changes in casing design and hole sizes:

Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks of Cement	Est. Top
14 3/4"	11 3/4"	42#	700'	Circulate to Surface	
11"	8 5/8"	32#	3,100'	Tieback to 11 3/4"	
7 7/8"	5 1/2"	15.5#	2800'-TD	Circulate to top of Liner 2800	

O+2-NMOCD,SF 1-J.R. Barnett HOU. Rm.21.156 1-F.J. Nash HOU. Rm.4.206 1-WF,Clayton 1-Susp 1-CMH 1-Amerada Hess 1-Amerigas 1-Cities Service 1-Conoco 1-CO2 in Action 1-Sun 1-Excelsior 1-Tex 1-Exxon 1-WF Hobbs

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

SIGNED Charles M. Herring TITLE Admin. Analyst (SG) DATE 8/2/85

APPROVED BY Roy E. Johnson TITLE DISTRICT SUPERVISOR DATE 8-6-85

CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

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-

7. Unit Agreement Name: Pinon Unit

Name of Operator: Chace Oil Company, Inc.

8. Farm or Lease Name

Address of Operator: 313 Washington, SE, Albuquerque, NM 87108

9. Well No.: Pinon Unit No. 2

Location of Well: UNIT LETTER Irr. Section . 1583 FEET FROM THE east LINE AND 2583 FEET FROM THE south LINE, SECTION 26 TOWNSHIP 14N RANGE 8E NMPM.

10. Field and Pool, or Wildcat: Wildcat

15. Elevation (Show whether DF, RT, GR, etc.): 5798' GR

12. County: Santa Fe

AUG 06 OIL CONSERVATION DIVISION SANTA FE

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐			COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	CHANGE PLANS	☐	CASING TEST AND CEMENT JOB	☐		
OTHER	☐			OTHER	☐		

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.

See Well History attached, Day #36 through Day #41.

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

SIGNED D. W. Miller TITLE President DATE August 5, 1985

APPROVED BY Roy E. Johnson TITLE DISTRICT SUPERVISOR DATE 8-6-85

CONDITIONS OF APPROVAL, IF ANY:

313 Washington S.E.
Albuquerque, New Mexico 87108

Date: 7/31/85
Day # 36. Present operation: drilling. Depth today: 6531'
24 hour footage: 70'. Formation: sand and shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 21,000# Present drilling rate: 7'/hour
Pump: Liner size: 5 1/2" Pressure: 1,000# Strokes per minute: 55
Mud: Vis: 40 Wt.: 9.4 W. L.: 8.0
Mud additives last 24 hours: 2 caustic, 1 preservative, 3 starch, 1 soda ash, 1 thinner
Deviation survey: 8 3/4° @ 6480'; 8 1/4° @ 6522'
Bit: #16: 7 7/8", FP62; 300', 68 1/2 hours - #17: 7 7/8", V2HJ; 41', 8 1/4 hours
Break down: 5 hours Trip for bit
3/4 hours Surveys
18 1/4 hours Drilling

Date: 8/1/85
Day #: 37 Present operation: drilling Depth today: 6685'
24 hour footage: 154' Formation: sand and shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 22,000# Present drilling rate: 6' /hour
Pump: Liner size: 5 1/2"Pressure: 1,000# Strokes per minute: 55
Mud: Vis: 42 Wt.: 9.4 W. L.: 8.0
Mud additives last 24 hours: 24 gel, 1 soda ash, 1 thinner, 1 caustic soda, 3 starch, 1 preservative
Deviation survey: 8° @ 6553'; 8 1/4° @ 6583'; 8° @ 6614'; 8° @ 6645'; 7 3/4° @ 6675'
Bit: #17: 7 7/8", V2HJ; 194', 29 1/4 hours
Break down: 2 1/4 hours Surveys
3/4 hours Rig service survey
21 hours Drilling

Date: 8/2/85
Day #: 38 Present operation: drilling Depth today: 6785'
24 hour footage: 100' Formation: sand & shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 18,000# Present drilling rate: 6' /hour
Pump: Liner size: 5 1/2 Pressure: 1,000# Strokes per minute: 55
Mud: Vis: 42 Wt.: 9.5 W. L.: 8.0
Mud additives last 24 hours: 13 gel, 1/2 soda ash, 1 caustic soda
Deviation survey: 7 3/4° @ 6706'; 7 1/2° @ 6714'; 7 3/4° @ 6768'
Bit: #17: 7 7/8", V2HJ; 224', 34 3/4 hours - #18: 7 7/8"; V2H; 71', 11 3/4 hours
Break down: 1 1/4 rig service & survey
5 1/2 hour trip for bit
17 1/4 drilling

Well: Pinon Unit #2

CHACE OIL COMPANY, INC.
313 Washington S.E.
Albuquerque, New Mexico 87108

Date: 8/3/85
Day # 39. Present operation: drilling. Depth today: 6930'
24 hour footage: 145'. Formation: sand and shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 15,000# Present drilling rate: 5'/hour
Pump: Liner size: 5 1/2 Pressure: 1,000# Strokes per minute: 54
Mud: Vis: 42 Wt.: 9.5 W. L.: 8.0
Mud additives last 24 hours: 1 caustic soda, 1 preservative

Deviation survey: 7 3/4° @ 6799'; 8° @ 6860'; 8 1/2° @ 6891'; 8 1/2° @ 6922'
Bit: #18: new 7 7/8", V2H; 216', 33 1/4 hours
Break down:

3/4 hours	rig service and survey
1 1/2 hour	surveys
21 3/4 hours	drilling

Date: 8/4
Day #: 40 Present operation: drilling Depth today: 7026'
24 hour footage: 96' Formation: sand and shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 12,000# Present drilling rate: 6'/hour
Pump: Liner size: 5 1/2 Pressure: 1,000# Strokes per minute: 54
Mud: Vis: 42 Wt.: 9.5 W. L.: 8.0
Mud additives last 24 hours: 1 thinner, 1 caustic soda, 1 preservative

Deviation survey: 8 1/4° @ 6980'; 8 1/4° @ 7015'
Bit: #18: 7 7/8", V2H; 266', 43 hours - #19: 7 7/8", V2H, 46', 7 3/4 hours
Break down:

3/4 hours	rig service and survey
5 3/4 hours	survey and trip
1/2 hour	survey
17 hours	drilling

Date: 8/5/85
Day #: 41 Present operation: drilling Depth today: 7140'
24 hour footage: 114' Formation: sand and shale
Drill Collars: No: 17 Size: 5 7/8" Weight: 40,000# Bore: 2 1/4"
Rotary: RPM: 60 Weight on bit: 16,000# Present drilling rate: 5'/hour
Pump: Liner size: 5 1/2" Pressure: 1,000# Strokes per minute: 54
Mud: Vis: 40 Wt.: 9.3 W. L.: 9.0
Mud additives last 24 hours: 4 starch, 1 soda ash, 1 preservative, 1 thinner, 3 caustic soda
Deviation survey: 8° @ 7044'; 8 1/4° @ 7075'; 7 3/4° @ 7104'; 8° @ 7135'
Bit: #19: 7 7/8", V2H; 160', 29 hours
Break down:

1/4 hour	rig service and survey
2 1/2 hours	survey
21 1/4 hours	drilling