



GARY JOHNSON
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY
CABINET SECRETARY

52

MEMORANDUM

*Exhibits 1 through 3
Complete Set*

TO: Rand Carroll

FROM: Ray Smith *RS.*

SUBJECT: Well Plugging, Sage Oil Co., Gulf State #1 Ut N-20-10S-27E

DATE: April 26, 1995

In order to protect fresh waters of the state of New Mexico, the environment and correlative rights of the area we recommend the plugging of the above captioned well.

This well did belong to Raney McKay who owned the Rapid Company wells that recently went to show cause hearing. Also, I find no allowable was ever assigned to this well.

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
<u>OC</u>	EXHIBIT NO. <u>1</u>
CASE NO. <u>11275</u>	

①

(2)

COMPANY Sage Oil Company		PROPERTY NAME Gulf State	WELL NO. 1		
DATE 4/26/95	LOCATION (ULSTR) Ut N-20-10S-27E	FOOTAGE 660/FNL 1980/FWL			
API NO. 30-015-00250		POOL Rabbit Flats Queen			
<p>Run in hole with tubing to 755' and circulate cement to surface. Wait on cement for a few minutes to see if hole remains loaded.</p>					
<p>CASING RECORD:</p> <p>4 1/2" casing set at 924' c perfs at 634'-754'</p>					

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

CABINET SECRETARY

March 6, 1995

Sage Oil Company
P.O. Box 763
Hobbs, NM 88240

Re: Properly Abandoned Wells

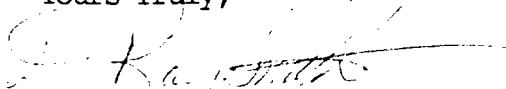
Rule 201 A. states the operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. states a well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within 90 days after (1) A 60 day period following suspension of drilling (2) A determination that the well is no longer usable for beneficial purposes (3) A period of 1 year in which a well has been continuously inactive.

Your Sage Oil Company, Gulf State #1 in Sec 20-10S-27E Unit N, is well beyond the one year period allowed for nonproduction.

Please submit a plan to bring this well into compliance with the above rules no later than April 1, 1995.

Yours Truly,



D. Ray Smith
Field Rep II

NEW MEXICO

MINERAL RESOURCES DEPARTMENT

REGISTRATION DIVISION
DISTRICT OFFICE

CABINET SECRETARY

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
Drawer DD
Artesia, New Mexico 88211-7529

Fold at line over top of envelope to the
right of the return address

CERTIFIED

Z 212 312 920

MAIL

Sage Oil Company
P.O. Box 763
Hobbs, NM 88240

owner of any well drilled for oil, gas
or other exploration, or for a
well uncased, shall be responsible for

It shall be either properly plugged and
abandoned in accordance with these rules
within a 30 day period following suspension of
production that the well is no longer usable
within a period of 1 year in which a well
is plugged.

Well #1 in Sec 20-10S-27E Unit N,
Artesia, NM, shall be allowed for nonproduction.

Bring this well into compliance with
the rules by April 1, 1995.

Received
by [unclear] 3-24
3-24

4

IS YOUR RETURN ADDRESS complete?

1. Name (Print)
2. Street Address
3. City, State, ZIP Code

4. Telephone Number
5. Signature (Required)

6. Post Office Box Number
7. Post Office Name
8. Addressee's Address (only if requested)

DOMESTIC RETURN RECEIPT

Thank you for using

Sage Oil Company
Gulf State #1 N-20-10-27



425 Hamilton Bldg.

Wichita Falls, TX

American Casualty Co. of

Reading, PA

Bond # 2881623

Approved: 12-22-77

Approved: Cancellation of Bond December 19, 1981

Sage Oil Company
Weldon S. Guest &
Adams Properties dba
425 Hamilton Bldg.
Wichita Falls, Texas 76301

\$50,000 Blanket Plugging Bond
The Travelers Indemnity Company,
Surety

Bond No. 492F880A

Approved: December 8, 1981

Cancelled: January 4, 1988

First Mercantile Corp. dba
Sage Oil Company
425 Hamilton Building
Wichita Falls, TX 76301

\$50,000 Blanket Plugging Bond
Trinity Universal Ins. Co., Surety
Bond No. 417483

Approved: January 4, 1988

Cancelled: October 5, 1989.

As to any property or wells acquried,
started, or drilled after that date.
However, the subject bond will remain
in effect as to any property or wells
acquired, started, or drilled prior to
October 5, 1989.

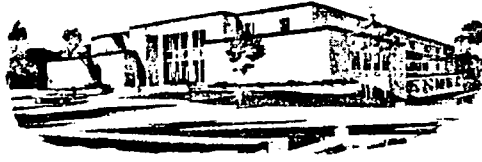
Cancelled: October 23, 1989.

(9)

State of New Mexico



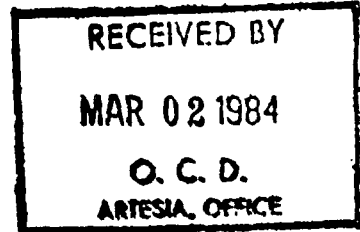
JIM BACA
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

March 1, 1984



Mr. Les Clements
Supervisor and Oil
& Gas Inspector
Oil Conservation Division
Artesia District Office
P.O. Drawer DD
Artesia, New Mexico 88210

Re: Pace v. Jim Baca, Commissioner of Public Lands
Chaves County No. 83-00242

Dear Les:

Thank you for taking the time to witness the testing of the Gulf State No. 1 well. You and Mike Williams were most considerate to make the trip from Artesia to the well and to be prepared to spend the night at the well site. Please thank Mike for me.

Mike mentioned that he could find out the names and addresses of the pipeline companies that have lines in the vicinity of the Gulf State No. 1. I would appreciate your sending me that information so that I can contact those companies and inquire whether Mr. Pace has attempted to arrange for them to connect the well to their pipelines and whether they would be willing to hook up the Gulf State No. 1 to their lines.

We received the well test results from Bennett and Cathey yesterday and the well is producing a 24 hour average of 36 MCFD.

Thank you again for your help.

Very truly yours,

A handwritten signature in cursive script that reads "Louhannah M. Walker".

LOUHANNAH M. WALKER
Associate Counsel

ljb

A handwritten mark consisting of a circle with a stylized number '8' or similar symbol inside.

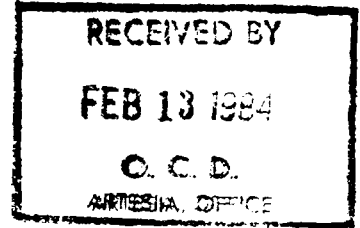
State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands



P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

February 10, 1984

Mr. Les Clements
Supervisor and Oil
& Gas Inspector
Oil Conservation Division
Artesia District Office
P.O. Drawer DD
Artesia, New Mexico 88210

Dear Mr. Clements:

This letter will confirm my telephone conversation yesterday with Ms. Mae Morgan in which I explained that Bennett-Cathey will perform a gas oil ratio test on the Gulf State No. 1 on February 23, 1984. Mr. Bennett and Gilbert Quintana agree that a 4. back pressure test would be inadvisable due to the well's low pressure.

On Monday I spoke with Mr. Mike Williams to see if someone from your office could witness the test if you are not able to do so. Those of us from the State Land Office who are driving down for the test plan to meet the Bennett-Cathey crew at Denneys on the corner of Second and Main Streets in Roswell at one o'clock in the afternoon on the twenty-third and proceed from there to the well site. Please let me know if you or someone from your office will accompany us.

Thank you very much for the help you have given us in this matter. Please convey my thanks to Mr. Williams and to Ms. Morgan for their patience and assistance.

I regret that you have been unwell and hope that you are soon completely recovered.

Very truly yours,

A handwritten signature in cursive script that reads "Louhannah M. Walker".

LOUHANNAH M. WALKER
Associate Counsel

ljb

(9)

10

11

12

13

14

NO. OF COPIES RECEIVED	6
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	2
LAND OFFICE	1
OPERATOR	

RECEIVED
NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG
FEB 26 1979

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
K-3621

7. Unit Agreement Name

8. Farm or Lease Name
Gulf State

9. Well No.
1

10. Field and Pool, or Wildcat
Wildcat

12. County
Chaves

1. TYPE OF WELL
ARTESIAN, OFFICE

b. TYPE OF COMPLETION
OIL WELL GAS WELL DRY OTHER _____
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER **Re-enter**

2. Name of Operator
Sage Oil Company ✓

3. Address of Operator
c/o Oil Reports & Gas Services, Inc., Box 763, Hobbs, NM 88240

4. Location of Well
UNIT LETTER **N** LOCATED **660** FEET FROM THE **South** LINE AND **1980** FEET FROM

THE **West** LINE OF SEC. **30** TWP. **10 S** RGE. **27 E** NMPM

15. Date Spudded **Re-spud 11/30/78** 16. Date T.D. Reached **11/31/78** 17. Date Compl. (Ready to Prod.) **2/15/79** 18. Elevations (DF, R&B, RT, GR, etc.) **3739 GR** 19. Elev. Casinghead

20. Total Depth **925** 21. Plug Back T.D. **807** 22. If Multiple Compl., How Many _____ 23. Intervals Drilled By: Rotary Tools **0-925** Cable Tools _____

24. Producing Interval(s), of this completion - Top, Bottom, Name
634 - 754 Queen 25. Was Directional Survey Made **No**

26. Type Electric and Other Logs Run
Compensated Neutron 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
4 1/2	9.54	924	6 1/4	185	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	600	600

31. Perforation Record (Interval, size and number)
634-38, 642-50, 674-82, 720-24, 730-38, 750-54, 2 shots per foot

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
634 - 754	3,000 gal 15% acid

33. PRODUCTION

Date First Production 12/14/78	Production Method (Flowing, gas lift, pumping - Size and type pump) Flow	Well Status (Prod. or Shut-in) Shut In					
Date of Test 2/15/79	Hours Tested 24	Choke Size 8/64"	Prod'n. For Test Period →	Oil - Bbl. 0	Gas - MCF 20	Water - Bbl. 0	Gas - Oil Ratio
Flow Tubing Press. 80#	Casing Pressure Pkr	Calculated 24-Hour Rate →	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)
Shut In Test Witnessed By **Rainey McKay**

35. List of Attachments

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 Harold Wells TITLE **Agent** DATE **2/24/79**

NEW MEXICO OIL CONSERVATION BOARD

APPLICANT'S NAME
 COMPANY
 ADDRESS
 CITY
 STATE
 ZIP

8-3621

APPLICATION FOR PERMIT TO DRILL FOR OIL

Re-enter
 Sage Oil Company
 P. O. Box 763, Hobbs, New Mexico 88240
 N 360 South
 1980 West 30 103 278
 Wildcat
 Chaves
 925 Penrose Rev. Unit
 3739 GR Blanket Not Determined Upon Approval

SIZE OF HOLE	NO. OF CASINGS	DEPTH OF CASING	DEPTH OF HOLE	AREA OF HOLE	TYPE OF HOLE
6 1/4	4 1/2	95	94	185	Circ.

Above casing now in hole.

It is proposed to drill out plugs to total depth, circulate hole clean & test Seven Rovers, Queen & Penrose

Formerly J. M. Huber Corp. - Gulf State #1, TD 925 P&A 6/2/60.

I hereby certify that the information furnished herein is true and correct.

Signature: *Henry D. Hester*

Agent

11/20/73

Signature: *W. P. Hester*

SUPERVISOR OF MINING

NOV 23 1978

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

All distances must be from the outer boundaries of the Section.

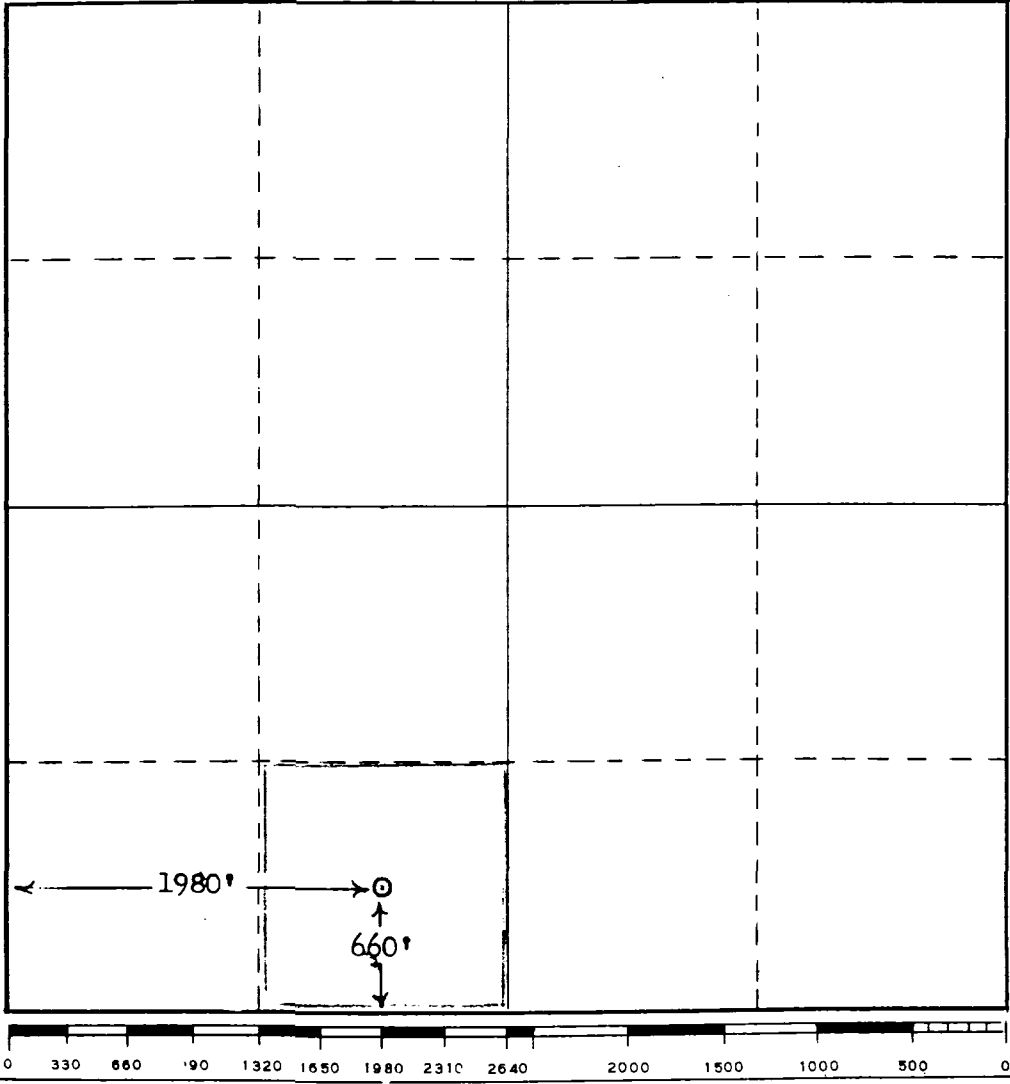
Operator Sage Oil Company		Lease Gulf State		Well No. 1
Unit Letter N	Section 30	Township 10 S	Range 27 E	County Chaves
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the West line				
Ground Level Elev. 3729	Producing Formation Penrose	Pool Wildcat	Dedicated Acreage: 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.



CERTIFICATION

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

Name
William H. Hall

Position
Agent

Company
Sage Oil Company

Date
November 20, 1978

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.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

(Signature)

OIL CONSERVATION COMMISSION

207 CARPER BUILDING

ARTESIA, NEW MEXICO

July 19, 1960

Mr. John M. Huber
610 Midland Natl. Bank Bldg.
Midland, Texas

Re: Gulf State, Well No. 1-N,
30-T10S-R27E, Wildcat Pool,
Chaves County

Dear Mr. Huber:

Please send us an electric log on your P & A well in unit N of
Sec. 30-10S-27E. This will be necessary before we can sign plugging
report on same.

Very truly yours,

M. L. Armstrong
Supervisor, District No. 2

MLA/hb

(14)

NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED
FORM C-103
(Rev 3-55)

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106)

Name of Company J. M. HUBER CORPORATION		Address 610 Midland National Bank Bldg.				
Lease Gulf-State	Well No.	Unit Letter N	Section 30	Township 10S	Range 27E	
Date Work Performed 6/2/60	Pool Wildcat		County Chaves			

THIS IS A REPORT OF: (Check appropriate block)

- Beginning Drilling Operations
 Casing Test and Cement Job
 Other (Explain):
 Plugging
 Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

Spot 25 sacks regular cement with HOWCO pump thru tubing from 600' to 900' in 4½" casing.

Spot 15 sacks regular cement as above from 120' to 300' in 4½" casing.

Spot 10 sacks regular cement as above from 100' to surface in 4½" casing and plant location marker. Work by Chase Well Service.

Witnessed by Robert W. Scarth	Position Dist. Supt.	Company J. M. Huber Corporation
---	--------------------------------	---

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

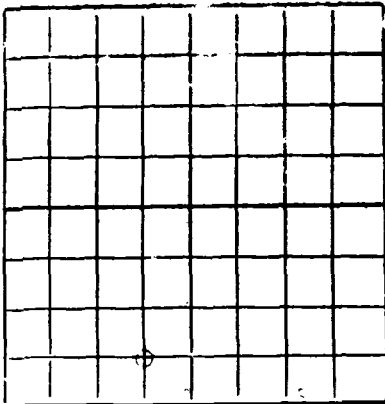
ORIGINAL WELL DATA

D F Elev.	T D	P R I D	Producing Interval	Completion Date
Tubing Diameter	Tubing Depth	Oil String Diameter	Oil String Depth	
Perforated Interval(s)				
Open Hole Interval		Producing Formations		

RESULTS OF WORKOVER

Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover						
After Workover						

OIL CONSERVATION COMMISSION		I hereby certify that the information given above is true and complete to the best of my knowledge.	
Approved by <i>W. A. Gressett</i>	Name Robert W. Scarth		
Title OIL AND GAS INSPECTOR	Position District Superintendent		
Date JUL 2 1960	Company J. M. Huber Corporation		



NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico RECEIVED

JUN 10 1960

WELL RECORD

Mail to District Office, Oil Conservation Commission, to which Form O-101 was sent not later than twenty days after completion of well. Follow instructions in Rules and Regulations of the Commission. Submit in QUINTUPLICATE. If State Land submit 6 Copies

AREA 640 ACRES
LOCATE WELL CORRECTLY

J. M. HUBER CORPORATION

Gulf-State

(Company or Operator)

(Lease)

Well No. 1, in SE 1/4 of SW 1/4, of Sec. 30, T. 10S, R. 27E, NMPM.

Wildcat

Pool,

Chaves

County.

Well is 660 feet from South line and 1980 feet from West line

of Section 30. If State Land the Oil and Gas Lease No. is E-3621

Drilling Commenced 3/25, 1960. Drilling was Completed 3/30, 1960

Name of Drilling Contractor: Stienberger Drilling Company

Address: Roswell, New Mexico

Elevation above sea level at Top of Tubing Head 3739. The information given is to be kept confidential until can be released now, 1960.

OIL SANDS OR ZONES

NONE PRODUCTIVE

No. 1, from to No. 4, from to

No. 2, from to 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.

NONE ENCOUNTERED

No. 1, from to feet.

No. 2, from to feet.

No. 3, from to feet.

No. 4, from to feet.

CASING RECORD

SIZE	WEIGHT PER FOOT	NEW OR USED	AMOUNT	KIND OF SHOE	CUT AND PULLED FROM	PERFORATIONS	PURPOSE
4 1/2"	9.5#	New	924	Float	None	692 to 894	To test for oil and gas.

MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. SACKS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
6 1/4"	4 1/2"	924	185	B. J. Pump	----	Cement Circulated to surface.

RECORD OF PRODUCTION AND STIMULATION

(Record the Process used, No. of Qts. or Gals. used, interval treated or shot.)

Frac. 852 to 854 with 4000 gal. water & 12,000# sand.

Frac. 822 to 894 W/16,000 gal. oil & 48,000# sand.

Frac. 692-710 W/8,400 gal. oil & 25,200# sand.

Result of Production Stimulation: The well did not recover all the fracturing fluid used.

Each treatment would stimulate a small amount of gas.

Depth Cleaned Out

110

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

TOOLS USED

Rotary tools were used from 0 feet to 925 feet, and from -- feet to -- feet.
 Cable tools were used from --- feet to --- feet, and from --- feet to --- feet.

PRODUCTION

Put to Producing April 28, 1960 Well never produced any new oil.
 P. & A. June 2, 1960.

OIL WELL: The production during the first 24 hours was _____ barrels of liquid of which _____ % was
 was oil; _____ % was emulsion; _____ % water; and _____ % was sediment. A.P.I.
 Gravity _____

GAS WELL: The production during the first 24 hours was _____ M.C.F. plus _____ barrels of
 liquid Hydrocarbon. Shut in Pressure _____ lbs.

Length of Time Shut in _____

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

Southeastern New Mexico

Northwestern New Mexico

- | | | |
|-----------------------------|---------------------|----------------------------|
| T. Anhy..... | T. Devonian..... | T. Ojo Alamo..... |
| T. Salt..... | T. Silurian..... | T. Kirtland-Fruitland..... |
| B. Salt..... | T. Montoya..... | T. Farmington..... |
| T. Yates..... +3617' | T. Simpson..... | T. Pictured Cliffs..... |
| T. 7 Rivers..... | T. McKee..... | T. Menefee..... |
| T. Queen..... +3066 | T. Ellenburger..... | T. Point Lookout..... |
| T. Grayburg..... | T. Gr. Wash..... | T. Mancos..... |
| T. San Andres..... | T. Granite..... | T. Dakota..... |
| T. Glorieta..... | T. | T. Morrison..... |
| T. Drinkard..... | T. | T. Penn..... |
| T. Tubbs..... | T. | T. |
| T. Abo..... | T. | T. |
| T. Penn..... | T. | T. |
| T. Miss..... | T. | T. |

FORMATION RECORD

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	15		Caliche				
15	60		Sand, Shale				
60	115		Red Clay				
115	689		Anhydrite, R.B.				
689	741		Sand, Salt				
741	925		Red Sand, Anhy.				
925			T.D.				

OIL CONSERVATION COMMISSION			
ARTESIA DISTRICT OFFICE			
No. Copies Received	6		
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	NO FURNISHED		
ARTESIA DISTRICT OFFICE	1		
STATE LAND OFFICE	1		
U.S.G.S.	2		
TRANSPORTER			
FILE	1		
BUREAU OF MINES	1		

ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Company or Operator J. M. Huber Corporation
 Name Robert W. Scarth

Address 610 Midland Natl. Bank Bldg. Midland, Texas
 Position Title District Superintendent

Robert W. Scarth (Date) 17

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

RECEIVED

MISCELLANEOUS NOTICES

MAY 27 1960

Submit this notice in TRIPPLICATE to the District Office, Oil Conservation Commission, before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL	X	NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE		NOTICE OF INTENTION TO SHOOT (Nitro)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Midland, Texas
(Place)

May 25, 1960
(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the J. M. HUBER CORPORATION

Gulf-State Well No. 1 in N
(Company or Operator) (Unit)
SE 1/4 SW 1/4 of Sec. 9, T. 10S, R. 27E, NMPM, Wildcat Pool
(40-acre Subdivision) Lease
Chaves County.

FULL DETAILS OF PROPOSED PLAN OF WORK
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

This wildcat test was drilled to 925' and logged. Production tests indicated a dry hole. We therefore plan to plug as follows:

- 25 sacks cement from 600'-900'
- 10 sacks cement at surface
- 10 " " " " 250'

Mud to be applied with pump between cement plugs. A location marker will be planted.

Approved MAY 27 1960, 1960
Except as follows:

Approved
OIL CONSERVATION COMMISSION

By M. L. Armstrong
Title OH AND GAS INSPECTOR

J. M. HUBER CORPORATION

Company or Operator

By D. K. Braungardt

Position District Landman

Send Communications regarding well to:

Name J. M. Huber Corporation

Address 610 Midland National Bank Bldg.

RECEIVED
FORM C-103
(Rev 3-55)
APR 28 1960

NEW MEXICO OIL CONSERVATION COMMISSION

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106) **D. C. C.**
ARTESIA, OFFICE

Name of Company J. M. HUBER CORPORATION			Address 610 Midland Natl. Bank Bldg., Midland, TEX.			
Lease Gulf-State	Well No. 1	Unit Letter N/	Section 30	Township T-10S	Range R-27E	
Date Work Performed	Pool Coyote Queen (Undesignated)	County Chaves County				

THIS IS A REPORT OF: (Check appropriate block)

<input checked="" type="checkbox"/> Beginning Drilling Operations	<input type="checkbox"/> Casing Test and Cement Job	<input type="checkbox"/> Other (Explain):
<input type="checkbox"/> Plugging	<input type="checkbox"/> Remedial Work	

Detailed account of work done, nature and quantity of materials used, and results obtained.

Spud on 3/25/60 with H. J. Stienberger rotary. Reach T.D. of 925 (zero ground level) on 3/31/60. Ran 4 1/2" 9.5# J-55 new casing to 924 on 3/31/60. Cement W/185 sacks regular witnessed by Commission engineer. Cement circulated. W.O.C. 24 hours and pressure tested @ 700 P.S.I. for 30 minutes on April 1, 1960.

Witnessed by Robert W. Scarth	Position Dist. Supt.	Company J. M. HUBER CORPORATION
---	--------------------------------	---

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

DF Elev.	TD	PBTD	Producing Interval	Completion Date
Tubing Diameter	Tubing Depth	Oil String Diameter	Oil String Depth	
Perforated Interval(s)				
Open Hole Interval			Producing Formation(s)	

RESULTS OF WORKOVER

Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover						
After Workover						

OIL CONSERVATION COMMISSION		I hereby certify that the information given above is true and complete to the best of my knowledge.	
Approved by <i>M. L. Armstrong</i>	Title OIL AND GAS INSPECTOR	Name <i>Robert W. Scarth</i>	Position District Superintendent
Date APR 28 1960		Company J. M. HUBER CORPORATION	(19)

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

RECEIVED
RECEIVED
 MAR 18 1960
 MAR 18 1960
 O. C. C. DISTRICT OFFICE

NOTICE OF INTENTION TO DRILL

Notice must be given to the District Office of the Oil Conservation Commission and approval obtained before drilling or completion begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in **QUINTUPLICATE**. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission. **If State Land submit 6 Copies Attach Form G-128 in triplicate to first 3 copies of form G-101**

Midland, Texas

March 16, 1960

(Place)

(Date) **30-005-00250**

OIL CONSERVATION COMMISSION
 SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the **Drilling** of a well to be known as
J. M. HUBER CORPORATION

(Company or Operator)

Gulf-State

(Lease)

Well No. **1**, in **N** (Unit) The well is

located **660** feet from the **South** line and **1980'** feet from the

West line of Section **30**, T. **10S**, R. **27E**, NMPM.

(GIVE LOCATION FROM SECTION LINE) **Wildcat** Pool, **Chaves** County

If State Land the Oil and Gas Lease is No. **E-3621**

If patented land the owner is.....

Address.....

We propose to drill well with drilling equipment as follows: **Rotary**

The status of plugging bond is **Approved**.

Drilling Contractor.....

We intend to complete this well in the **Penrose**

formation at an approximate depth of **1000** feet.

CASING PROGRAM

We propose to use the following strings of Casing and to cement them as indicated:

Size of Hole	Size of Casing	Weight per Foot	New or Second Hand	Depth	Sacks Cement
6-3/4"	4-1/2"	9.5	New	1000	Circulate to surface if well is productive.

If changes in the above plans become advisable we will notify you immediately.

ADDITIONAL INFORMATION (If recompletion give full details of proposed plan of work.)

Approved..... **MAR 18 1960**....., 19.....
 Except as follows:

OIL CONSERVATION COMMISSION

By *M. L. Armstrong*

Sincerely yours,

J. M. HUBER CORPORATION
 (Company or Operator)
 By *Robert W. Scarth*

Position..... **District Superintendent**
 Send Communications regarding well to
Robert W. Scarth
 Name.....
 Address..... **610 Midland Natl. Bank Bldg.**

(Signature)

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128
Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

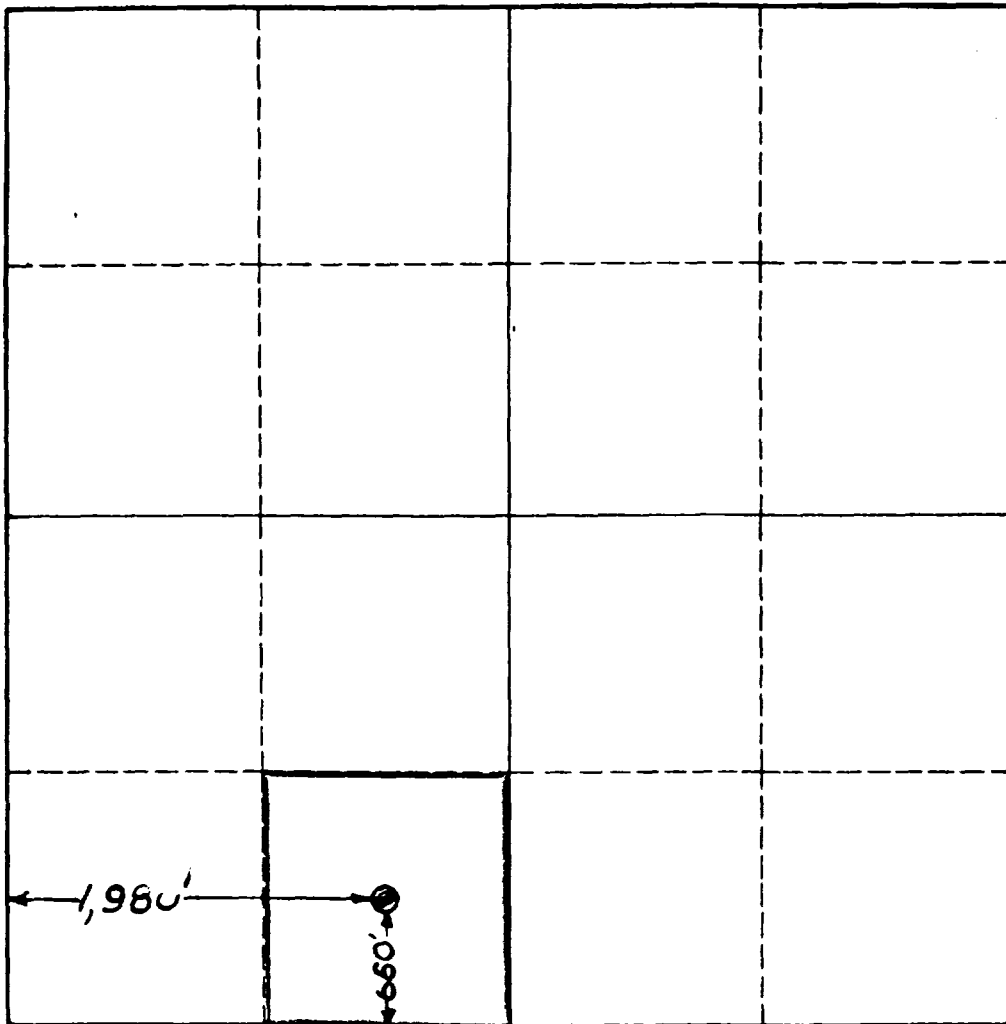
SECTION A

Operator J. M. Huber Corporation		Lease Gulf - State		Well No. 1
Unit Letter N	Section 30	Township 10 South	Range 27 East	County Chaves
Actual Footage Location of Well: 660' feet from the South line and 1,980' feet from the West line				
Ground Level Elev. 3,739'	Producing Formation Penrose	Pool Wildcat		Dedicated Acreage: 40 Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



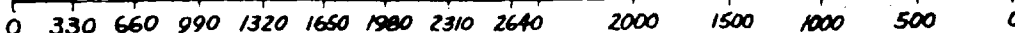
CERTIFICATION

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

Name <i>Robert L. Smith</i>
Position <i>Dist. Supt.</i>
Company J. M. Huber Corp.
Date March 14, 1960

I hereby certify that the well location shown on the plat in SECTION B 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.

Date Surveyed March 11, 1960
Registered Professional Engineer and/or Land Surveyor <i>Wayne H. Bright</i>
Certificate No. 3069



(7b) Petroleum Information

CHAVIS Widemat
 SAGE OIL CO. NM
 1 Gulf State MC 00250
 Sec 36, T10S, R27E
 660' PSL, 1980' FWL of Sec
 17 mi NE/Dexter 3-3-2 NM
2-15-79
 RE NO. 11-30-78 RE

DATE	TIME	WFX		WFD	
		FORMATION	DEPTH	FORMATION	DEPTH
	4 1/2"		at 926'		w/185 sx
			925' (GRBG)		PBD 807'

IP (Queen) Perfs 634-754' F 20 MCFGPD. Pot based on 24 hr test thru 8/64" chk. GOR (NR); gty (NR); CP Pkr; TP 80#

3739' GL 925' WO

- F.R. 12-4-78 OWO
 (Penrose)
 (Orig. Huber, J. M. Corp., #1 Gulf-State,
 DSA 6-3-60, OTD 925')
- 3-5-79 TD 925'; PBD 807'; WOSP
 CD to 925'
 Ran 4 1/2" Csg
 Perf (Queen) 634-638', 642-650', 672-682',
 720-724', 736-738', 750-754' w/2 SPF
 Acid (634-754') 3000 gals (15%)
 Fld 20 MCFGPD thru 8/64" chk, TP 80#
 (634-754')
- 3-12-79 TD 925'; PBD 807'; Complete
 Queen Discovery; No Suggested Field Name
 LOG RUN: CNL
- 3-17-79 COMPLETION ISSUED

3-3-79
 MC 30-005-70103-78

27

NEW MEXICO OIL CONSERVATION COMMISSION

J. M. Haber Corp.

Gulf State

30-10S-27E

Company	Well No.		Lease		S-T-R
Location	Fr. S L	1980	fr. W L	County	CHAVOS
Spud	3-25-60	Comp.	6-3-60	Field	WILDCAT
Total Depth	925 sd	P. B.	Top Pay	Size	CSG. RECORD Depth
I. P.				4 1/2	925
Ch.	on	Tbg. @	Press: T.		185
C.	Pkr.	Gr.			
PLUGGED AND ABANDONED					
Core 689-709 rec 20' shly sd s bled Oj					
Core 810-30 rec 20' salty sh sd e stain pp					
porol Core 830-30 rec 20' salty sd bled Oj					
Core 850-70 rec 20' as above; Core 870-90 rec					
20' as above; Core 890-910 rec 20' as above.					
Treatments					
S/J FORMATION RECORD					
Elev. 37394 gr T					
T Q 673 T					
T PR 772 T					
BX					
T T					
T T					
T T					
T T					
T TGr.					

LOG NO. 7864

New Mexico
Institute of Mining and Technology
STATE BUREAU OF MINES AND MINERAL RESOURCES
Socorro, New Mexico

COUNTY: Chaves
FIELD: Wildcat
COMPANY: J. M. Huber Corporation
LEASE: Gulf-State, 1
LOCATION: ($\frac{1}{4}$) SE SW
SEC. 30, T. 10 S, R. 27 E.
660 feet from the South line and
1980 feet from the West line
COMMENCED: 3-25-60
COMPLETED: 3-30-60
ABANDONED:
REMARKS: Rotary tools were used from
surface to 925 feet TOTAL DEPTH

WELL LOG DIVISION

CASING RECORD
Diam. in/Bottom
4-12/ 92 $\frac{1}{2}$
ELEVATION: 3739
IP: plugged and
abandoned

FORMATION	BOTTOM, FEET
Caliche	15
Sand and shale	60
Red clay	115
Anhydrite, R.B.	689
Sand, salt	741
Red sand and anhydrite	925 - TOTAL DEPTH

(74)

COMPANY Sage Oil Company	PROPERTY NAME Gulf State	WELL NO. 1
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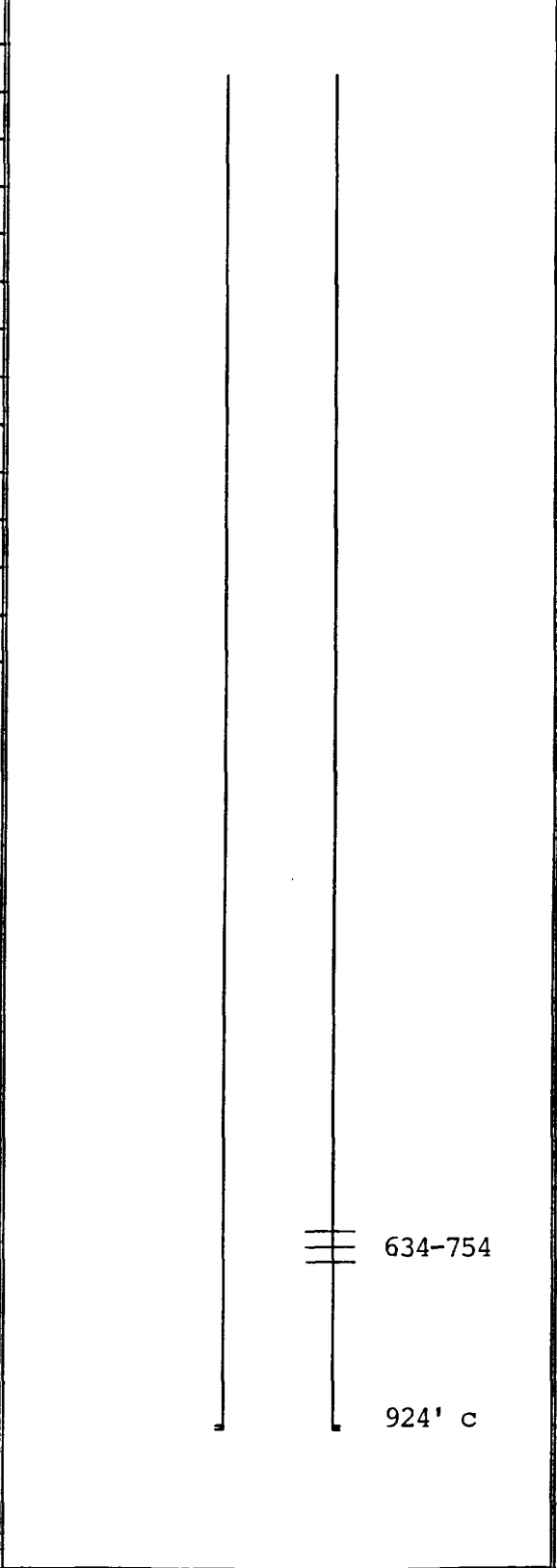
DATE 4/26/95	LOCATION (ULSTR) Tt N-20-10S-27E	FOOTAGE 660/FNL 1980/FWL
-----------------	-------------------------------------	-----------------------------

API NO. 30-015-00250	POOL Rabbit Flats Queen
-------------------------	----------------------------

Run in hole with tubing to 755' and circulate cement to surface. Wait on cement for a few minutes to see if hole remains loaded.

CASING RECORD:
4 1/2" casing set at 924' c
perfs at 634'-754'

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
OCD EXHIBIT NO. 2
CASE NO. 11275



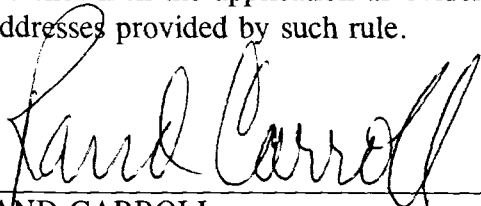
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

In the matter of the hearing called
by the Oil Conservation Division
for the purpose of considering:

CASE NO. 11275

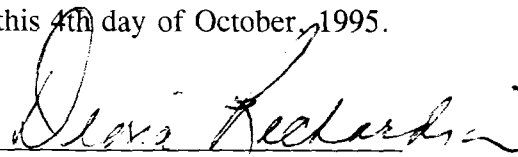
CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

RAND CARROLL, attorney for the New Mexico Oil Conservation Division states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 14th day of September, 1995, I caused to be sent, by certified mail return receipt requested, notice of this hearing and a copy of the application for the referenced case along with the cover letter, at least twenty days prior to the hearing set for October 5, 1995, to the parties shown in the application as evidenced by the attached copies of receipt cards, and correct addresses provided by such rule.



RAND CARROLL

SUBSCRIBED AND SWORN to before me this 4th day of October, 1995.



NOTARY PUBLIC

My Commission Expires:

Oct 28, 1997

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
<u>OCD</u>	EXHIBIT NO. <u>3</u>
CASE NO. <u>11275</u>	

September 14, 1995

CERTIFIED - RETURN
RECEIPT REQUESTED

Sage Oil Co.
PO Box 763
Hobbs, New Mex. 88240

Mr. Raney McKay
1300 S. 5th
Lovington, NM 88260

First Mercantile Corp. dba
Sage Oil Company
425 Hamilton Building
Wichita Falls, Tx. 76301

May have had an interest in this well and was therefore notified

Re: Sage Oil Co. Gulf State Well No. 1
located in Unit N of Sec. 30, Township 10
South, Range 27 East, Eddy County

Gentlemen:

Enclosed is a copy of the ad of the Examiner Hearing to be held on Thursday, October 5, 1995, at 8:15 a.m. in the Oil Conservation Division Hearing Room, 2040 South Pacheco, Santa Fe, New Mexico. Case 11275 concerns the above-captioned subject matter.

Sincerely,



RAND CARROLL,
Legal Counsel

RC/dr
enclosure

2

FIRST MERCANTILE CORPORATION

P. O. BOX 44
BURKBURNETT, TEXAS 76354
(817) 569-1400

September 20, 1995

State of New Mexico
Energy, Minerals and
Natural Resources Department
2040 South Pacheco
P. O. Box 6429
Santa Fe, New Mexico 87505-5472

Attention: Mr. Rand Carroll
Legal Counsel

Gentlemen:

I have today received your certified mailing regarding Sage Oil Company's Gulf State Well No. 1, located in Unit N of Section 30, Township 10 South, Range 27 East, Eddy County.

Please be advised First Mercantile Corporation has not had any affiliation with the New Mexico properties for several years. Sage Oil Company was sold possibly in 1989; however, I have no records on this company. When the assets were liquidated, records went into storage.

Should you have any questions, please feel free to contact me.

Yours very truly,

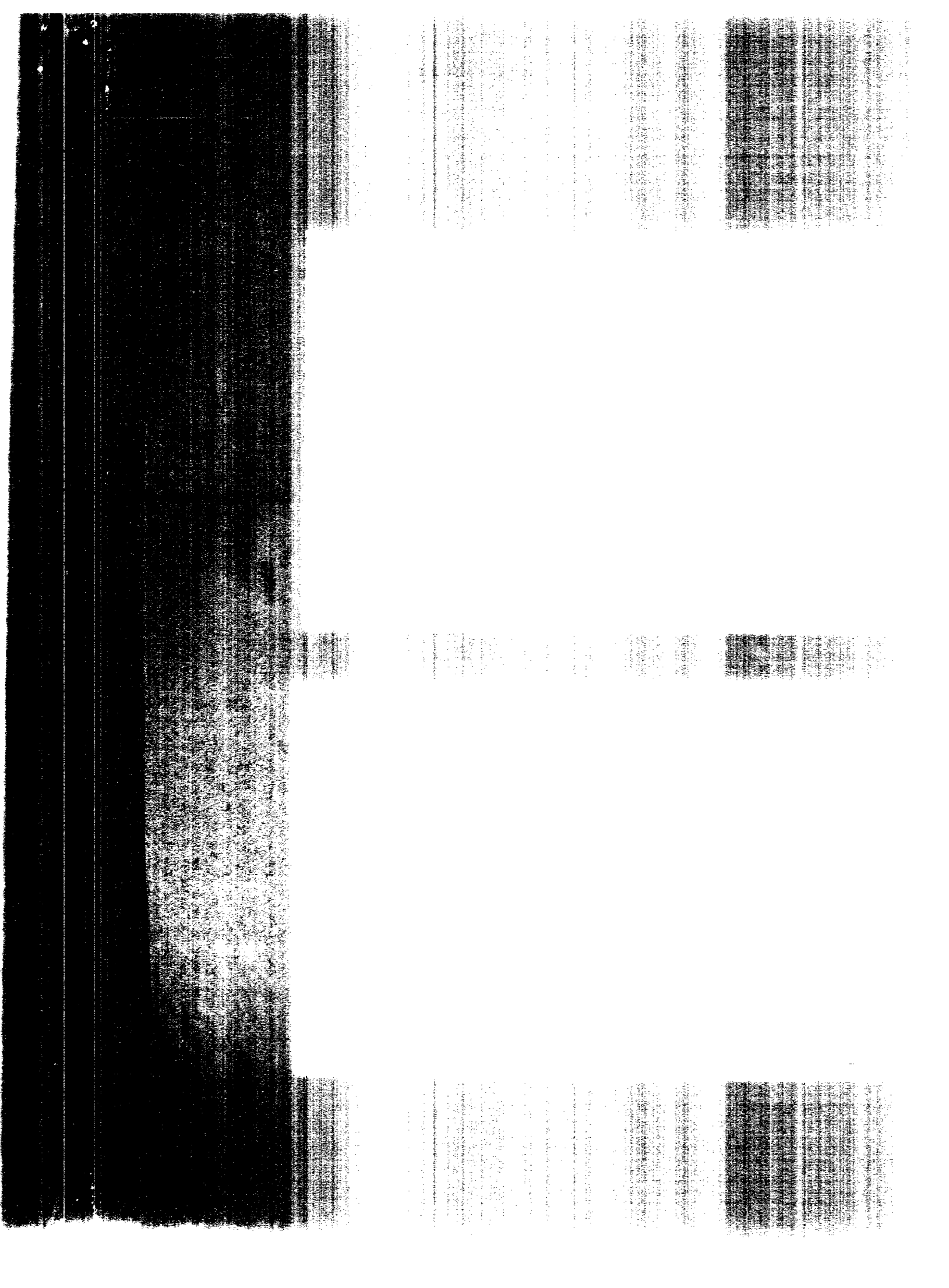
FIRST MERCANTILE CORPORATION



Charlotte Elliott
Secretary-Treasurer/V.P.

/cre

(3)



Fold at line over top of envelope to the right of the return address

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
Drawer DD
Artesia, New Mexico 88211-7529

CERTIFIED

Z 212 312 920

MAIL

Sage Oil Company
P.O. Box 763
Hobbs, NM 88240

Name _____
1st Notice **MAK** 7 1995

RECEIVED
Notice 3-24

MAR 20 1995

OIL CON. DIV.
DIST. 2

RETURNED TO SENDER
ATTEMPTED - NOT KNOWN

5