

# RECEIVED DELTA DRILLING COMPANY

Box 2012 TELEPHONE 214 595-1911

JAN 26 1978

TYLER, TEXAS 75710

O. C. C.  
ARTESIA, OFFICE

January 24, 1978

New Mexico Oil Conservation Commission  
Drawer DD  
Artesia, New Mexico 88210

RE: Report of Blowout  
South Culebra Bluff No. 1 Well  
Eddy County, New Mexico

Gentlemen:

This letter will confirm the prior notification given to Mr. Bill Gressett (Artesia office) and Mr. Dan Nutter (Santa Fe office) on January 4, 1978, concerning the blowout and subsequent fire at the Delta Drilling Company South Culebra Bluff No. 1 Well located 1980' FNL and 1650' FEL of Section 23, T23S, R28E, NMPM, Eddy County, New Mexico.

The South Culebra Bluff No. 1 Well was spudded by Amoco Production Company on November 6, 1977, pursuant to a Drilling Contract between Amoco Production Company, as Operator, and Brahaney Drilling Company, Inc., whose address is P. O. Box 1694, Midland, Texas, 79701, as Drilling Contractor.

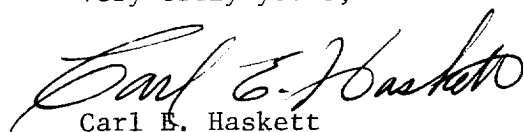
On November 17, 1977, at 12:00 noon, Delta Drilling Company assumed operation of the well at a depth of approximately 4400' below the surface. Rig No. 7 of Brahaney Drilling Company, Inc. continued the drilling of such well until January 3, 1978, on which date such well, at a depth of 11,769' below the surface, encountered a gas kick, blew out and subsequently caught fire.

Operations for the drilling of a relief well and efforts to gain control of the well at the surface were commenced immediately. Control equipment has been installed on the wellhead and at present gas is being flared through two lines. Arrangements have been made to sell such gas to El Paso Natural Gas Company pursuant to an emergency gas sales contract, and it is anticipated that deliveries of such gas will be commenced on or about January 25, 1978.

Additional information concerning such well is being furnished to the New Mexico Conservation Commission pursuant to your forms C-103 and C-104.

Very truly yours,

cc: New Mexico Oil Conservation  
Commission  
P. O. Box 2088  
Land Office Building  
Santa Fe, New Mexico 87501

  
Carl E. Haskett  
Mgr. Corporate Engineering  
and Research