

EOG (New Mexico) Inc.

621 SEVENTEENTH STREET, SUITE 1800
DENVER, COLORADO 80293
(303) 293-9999

September 20, 1993

New Mexico Oil & Gas Conservation Commission
Attn: Ernie Busch
1000 Rio Brazos Rd.
Aztec, N.M. 87410

Re: Crane Federal # 3
Unit D, Sect 32-T24N-R1W
Blanco P.C., Field
Rio Arriba, Co. N.M.

RECEIVED
SEP 22 1993
OIL CON. DIV.
DENVER

Dear Mr. Busch,

I have enclosed a schematic of the subject well bore that we derived from the newly acquired records from Kerns Oil & Gas. We physically checked the well on 9-16-93 and confirmed your findings, i.e. open 4 1/2" casing. However the well was not "gassing" visibly and the braden head valves were above ground. We checked the braden head for pressure and found none. I instructed my pumper to put a valve on the casing and shut the well in.

I understand that you were on location 9-17-93 and checked the casing for gas and found a 10% concentration. Clayton Schmidt indicated that we would need to build a road into the location to do further test.

I propose that we get approval for the replacement road from the landowner who is supposed to return approximately October 15, set a cast iron bridge plug on wire line at approximately 3300' and pressurize the casing to 500 psi to comply with Rule 203-C-1-b. We will then run a braden head test to determine casing integrity. We would like to assure ourselves and the Commission that the well is sound, if it is not, we may elect repair it to your satisfaction and retain the acreage as an active lease until we have evaluated the coal potential in the surrounding area or to plug the well.



Please indicate below Commission approval and return a copy to us in the enclosed envelope. We will send a Sundry notice to the BLM with the recommended procedure.

I will be looking forward to hearing from you.

Yours very truly,
EOG(NM)



J.C. Simmons
Operations Manager

Approved: _____ Date: _____

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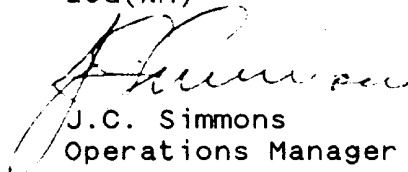
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J.C. Simmons
Operations Manager

Approved: _____ Date: _____

OPERATOR: KEONS OIL & GAS
 WELL: CRANE #3
 LOCATION: "D" SECT 32 T24N R1W RIO ARriba
820' FNL 1050' FUL (NW/4)
LSE # NM 036224
 PROSPECT: BLANCO P.C.

AS OF: 8/11/93
 Acct #: _____
 KB: 7697'
 GL: 7692'

DATE:

HISTORY:

7-1-62 SPUD SET 96' 898" W/ 60 SX
 H.B. BURNING SURFACE OWNER
 7-6-62 TD 3500' LOST CIRC LOGGING.
 7-18-62 CMT 9 1/2" 9.5# J-55 STC @ 3487 W/ 100 SX
 TRIP OF COMMENT 13Y TEMP LOG. 3350'
 8-13-62 1-2 RF 3390-3410(?) 2 JSPF
 FRAC 3388-3410(?) PC DN 4 1/2" 20,790 GALLONS
 8000# 20/40 SAND SCREENED OUT.
 9-10-62 REFRAE 3390-3410' 20 160 GAL 14000# SAND
 BHP 500 ATP=3000 APR=32 BPM DN 4 1/2" CHINE
 SCREEN OUT W/ 14000# IN P.C.
 BACK PRESS
 12-12-62 BHP TEST 2HR = 1.559 MM/10 BHP=652 PSI
 2-7-63 DELIV. 149 MCF/D SICP=56.0 SITP=56.0
 8-64 SL TEMP. DISCONNECT.
 3-1-65/4-95-65 REMOVE METER EQU. CUM 13952 MCF
 8-1-78 REFRAE PERFS 3390(?) - 3410' DN 4 1/2" CSE
 WATER (?) 12000 20/40 SAND.
 NO DATA AFTER 1978'
 9-16-93 CHECKED WELL; NO ROAD, NO TCG IN HOLE, NO
 GAS AT SURFACE, BRADENHEAD ABOVE SURFACE.
 4 1/2" CASING LOCKING UP.
 1" 2.5"
 3404'
 3388'
 2537'
 3410'
 502
 75 SX
 3394'
 3395'
 3472'
 3487'
 3400'
 102 JPS 4 1/2 9.5# J-55 STC @ 3487 W/ 100 SX
 TRIP = 3350'

T1
 FAULT
 3342