



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE Feb 15, 1983

RE: Proposed MC _____
Proposed DHC α _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

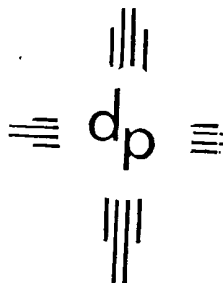
I have examined the application dated February 14, 1983
for the Jerome V. McHugh Lease #1 A-27-25N-2W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Docket for hearing. Combined oil production exceeds maximum
under 303 C.(d.11) Allocation is not adequately explained.

Yours truly,

John P. O'Leary



dugan production corp.

February 11, 1983

Mr. Joe D. Ramey, Division Director
Energy and Minerals Department
Oil Conservation Division
Box 2088
Santa Fe, NM 87501

RECEIVED

FEB 14 1983

OIL CON. DIV.
DSI. 3

RE: Jerome P. McHugh
Janet #1
Application for Downhole Commingling

Dear Mr. Ramey:

We are submitting the following information to you in duplicate, with one copy to the District Office in Aztec, requesting administrative approval for downhole commingling of the subject well under the Div. Rule #303-C.

- (a) Jerome P. McHugh
P O Box 208
Farmington, NM 87499
- (b) Janet #1
790' FNL - 790' FEL
Sec. 27 T25N R2W
Rio Arriba County, NM
Basin Dakota - Undesignated Gallup
- (c) See attached plat of dedicated acreage and offset operators.
- (d) No C-116 has been filed on this well, but based on very preliminary testing, this commingled well appears capable of producing 100 BOPD and 750 MCFGPD for a G-O ratio of 7500.
- (e) We have attached a well completion report for this well.
- (f) No bottom hole pressure surveys have been run on this well. Bottom-hole pressures were run on the Northwest Exploration well located in NE/4 Sec. 26 T25N R2W, one mile east of the subject well. The Dakota B.H.P. was 2431 psi at 7900' and the Gallup B.H.P. measured 1650 psi at 7200'.
- (g) Testing of the subject well to date has been commingled production. Gravity of the oil is 43.4° API at 60°. There has been no formation water produced, therefore we believe the formation fluids to be compatible.
- (h) We believe that the value of commingled production will be equal to the value of the individual streams.

Joe D. Ramey
McHugh Janet #1
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February 11, 1983

(i) We propose a formula of allocation for the two zones as follows:

Dakota Formation - 50% of total gas
25% of total oil

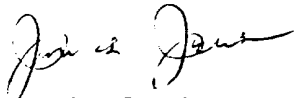
Gallup Formation - 50% of total gas
75% of total oil

This formula was devised by using commingled test information from the subject well and information from the offset well, the Northwest Exploration Co. Gavilan #1, located in NE/4, Sec. 26, T25N R2W.

(j) All offset operators have been notified by copies of this application.

It is our understanding that Northwest Exploration Co. plans to file an application with the Oil Division for downhole commingling of the Gallup-Dakota Formation in a field-wide area, which we intend to support.

Very truly yours,



Jim L. Jacobs
Vice-President

fp

Enclosures

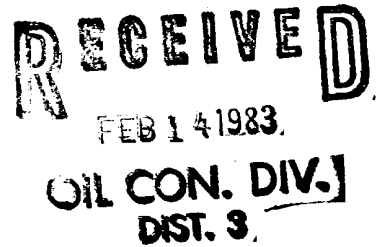
XC SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED:

Northwest Exploration Company
P O Box 1526
Salt Lake City, UT 84110-1526

Gulf Oil Company
P O Box 670
Hobbs, NM 88240

A G Hill
2500 First National Bank Bldg.
Dallas, TX 75202

xc: Jerome P. McHugh
District Office, NMOCD, Aztec



OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
ANTA FE	
FILE	
J.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease	
State <input type="checkbox"/>	Fee <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	
7. Unit Agreement Name	
8. Farm or Lease Name	
Janet	
9. Well No.	
1	
10. Field and Pool, or Wildcat	
Basin Dakota	
12. County	
Rio Arriba	

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-
Name of Operator
JEROME P. McHUGH
Address of Operator
P. O. Box 208, Farmington, NM 87499

Location of Well
Nearest Letter A 790 FEET FROM THE North LINE AND 790' FEET FROM
East LINE, SECTION 27 TOWNSHIP 25N RANGE 2W NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
7241' GL; 7253' RKB

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐
ORABLY ABANDON ☐
OR ALTER CASING ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

REMEDIAL WORK ☐
COMMENCE DRILLING OPMS. ☐
CASING TEST AND CEMENT JOBS ☐

ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

OTHER Completion activities ☐

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 attached for details of perforations, frac, and tubing.

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

Jim L. Jacobs

TITLE Geologist

DATE 2-2-83

12-15-82 Nipple up BOP. Rig up Western Co. Break circulation. Press test casing to 4000 psi - okay. Spot 250 gal 7½% HCL. P.O.H. Rig up Basin Perforators. Ran GR - CCL from PBTD 7923' to 7650', 7050' - 6650', 5800 - 5050', 3450 - 3250'. Perforate Dakota as follows: 7740, 7781, 7788, 7824, 7852, 7853, 7854, 7857, 7867, 7868, 7869 (Total 11 holes). Break down formation with water with 2000 psi @ 6664 min. Dropped 17 RCN ball sealers. Ball off with 4000 psi. Ran 4½" junk basket. Recovered 16 balls. 11 hits.

12-16-82 Rig up Western Company. Fractured Dakota formation as follows:
7680 gal. fresh water w/2% Diesel - Pad
1320 gal. mini-max III-30 w/2% Diesel - Pad
6000 gal. mini-max III-30 w/2% Diesel + 1# 20-40 sand/gal.
6000 gal. mini-max III-30 w/2% Diesel + 2# 20-40 sand/gal.
6000 gal. mini-max III-30 w/2% Diesel + 3# 20-40 sand/gal.
1974 gal. fresh water + 1# 20-40 sand = flush
3192 gal. fresh water - flush
ISDP - 1700 psi
15 min. shut in - 1400 psi
Max. pressure - 3200 psi
Min. pressure - 2400 psi
Average pressure - 2600 psi @ 20 bbl/min.

Totals: 38,000# 20-40 sand
19,320 gal. mini-max III - 30 gel
12,846 gal. fresh water
540 gal. diesel - 13# B-5 Breaker

Shut in for 4 hours. RIH with 3-1/8 perforating gun. Checked collars to 6826'. Perforated Gallup 6709, 11, 12, 6775, 76, 77, 78, 79, 80, 81, 82. (11 holes). Next gun run unable to get below 6650. Pull up - wait 30 minutes. Unable to get below 6535. Pumped 25 bbls water. Pressure broke from 1500 to 1200 and 2200 to 1600. RIH. Stopped @ 6635. Tried to pump water. Pressured up to 2000 psi. Tag up @ 6600. Opened well to pit over night. Flowing back water and small amount of sand.

12-17-82 Well making ± 50 MCF. Unloaded some oil overnight. Rig up Basin Perforators. G.I.H. with 3-1/8 perforating gun. Perforated Gallup 6689, 6696, 6743, 6751, 6758, 6797, 6803, 6811, 6825, 6840, 6852, 6863, 6873, 6886, 6895, 6933, 6946, 6949, 7000. (19 holes - Total Gallup Perfs - 30 holes). Rig up Western Co. Attempt to break down Gallup formation @ 2200 psi @ 29 bbl/min. Dropped 50 RCN ball sealers. Had good ball action. 4000 psi @ 3-4 bbl/min. ISDP - 6000 psi. Ran 4½" junk basket. Recovered 42 balls (25 hits). Tag up @ 7600 with junk basket. Frac Gallup as follows:

14,000 gal. slickwater + 4% Diesel - pad
14,000 gal. slickwater + 2% Diesel + 1# 20-40 sand/gal.
8,000 gal slickwater +2% Diesel + 2# 20-40 sand/gal.
8,000 gal slickwater +2% Diesel + 2½# 20-40 sand/gal.
12,810 gal slickwater +2% Diesel +3# 20-40 sand/gal.
4.351 gal slickwater flush

JEROME P. McHUGH
Janet #1
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12-17-82 ISDP - 1000 psi. 15 minute shut in. 700 psi. Max press. 3800 psi.
Min. press. 2000 psi. Average treating pressure 2800 psi @ 28 bbl/min.

Totals:

88,000# 20-40 sand
61,161 gal. slickwater

Left well shut in for 3 hours. Opened to pit. Flowing back small stream of water.

12-18-82 Well dead. Went in hole with tubing with saw-tooth collar on bottom. Tagged up at 6741'. Cleaned out sand bridges to 7031'. Circulated clean. Pulled 7 stands. Shut well in.

12-19-82 Did not work - Sunday

12-20-82 Rigged up pump; thawed out valves. T.I.H. Tagged sand at 7287'. Cleaned out sand - 7480'. Cleaned out sand, 233 jts. - 7770'. T.O.H. 18 stands to 6623'. Drained pump and lines. Shut in for night.

12-21-82 Clean out sand from 7706'-7908 (PBTD). 64' Fill up over night. Circulated hole clean. Landed 243 jts. 2-3/8", 4.7#, J-55, 8 Rd, EUE tubing. T.E. 7797.57' set at 7809' RKB. Nipple down BOP. Nipple up well head. R.U. to swab. Swabbed well one hour. Fluid level at end of day 800'. S.D.O.N.

APPLICATION FOR DOWNHOLE COMM

JEROME P. MCHUGH Janet #1

Offest Operators

Northwest Exploration Company
P O Box 1526
Salt Lake City, UT 84110-1526

Gulf Oil Company
P O Box 670
Hobbs, NM 88240

A G Hill
2500 First National Bank Bldg.
Dallas, TX 75202

<p>21</p> <p>DPC-$\frac{1}{8}$</p> <p>MCHUGH-$\frac{7}{8}$</p> <p>VARIOUS UMD. FEE LEASES</p>	<p>22</p> <p>NWX</p> <p>NM43757</p>	<p>23</p> <p>A.G. HILL</p> <p>NPC-$\frac{75}{100}$ DPC 25%</p> <p>NM0391 NM0385</p>
<p>28</p> <p>FEE</p> <p>DPC-$\frac{1}{8}$</p> <p>MCHUGH-$\frac{7}{8}$</p> <p>NM23039</p>	<p>27</p> <p>DPC-$\frac{1}{32}$</p> <p>MCHUGH-$\frac{2}{32}$</p> <p>NWX</p> <p>FEE</p> <p>NM23038 NM43759</p>	<p>26</p> <p>FEE</p> <p>MCHUGH</p> <p>NPC-$\frac{75}{100}$ DPC 25%</p> <p>SF-079 332</p> <p>NWX</p> <p>FEE</p> <p>GULF</p> <p>SF-079 332</p> <p>NM0385</p>
<p>33</p>	<p>34</p>	<p>35</p>

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R.2.W