

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-65

| | |
|------------------------|-----|
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| SANTA FE | |
| FILE | |
| U.S.G.S. | |
| LAND OFFICE | |
| TRANSPORTER | OIL |
| | GAS |
| OPERATOR | |
| PRORATION OFFICE | |

I. Operator
SCHALK DEVELOPMENT COMPANY
Address
P. O. BOX 25825 / ALBUQUERQUE, NEW MEXICO 87125
Reason(s) for filing (Check proper box)
 New Well Change in Transporter of: Oil Dry Gas
 Recompletion Casinghead Gas Condensate
 Change in Ownership Other (Please explain)

If change of ownership give name and address of previous owner ARAPAHOE DRILLING CO. /P.O. BOX 26687/ ALBUQUERQUE, NM 87125

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|----------------------|--|--|-----------------------------|
| Lease Name SCHALK 62 | Well No. 2 | Pool Name, including Formation Rosa Gallup | Kind of Lease State, Federal or Fee Federal | Lease No. NM 4462 |
| Location Unit Letter E ; 1760 Feet From The NORTH Line and 1190 Feet From The WEST | | | | |
| Line of Section 33 Township 32North Range 5 WEST , NMPM, Rio Arriba County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|--|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| NORTHWEST PIPELINE CORPORATION | P.O. BOX 1526/SALT LAKE CITY, UTAH 84110 |
| If well produces oil or liquids, give location of tanks. | Unit Sec. Twp. Rge. Is gas actually connected? When |
| | NO |

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

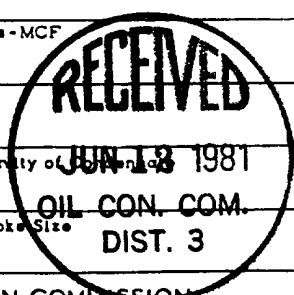
| | | | | | | | | |
|--|--|--------------------------------|----------------------------------|----------|--------|-----------|-------------|--------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| | | XX | | | | | | |
| Date Spudded 6/28/73 | Date Compl. Ready to Prod. 8/12/73 | Total Depth 7717 | P.B.T.D. | | | | | |
| Elevations (DF, RKB, RT, GR, etc.) 6808 KB | Name of Producing Formation Gallup | Top Oil/Gas Pay 7660 | Tubing Depth 7702 | | | | | |
| Perforations 7674½-7686½ OPEN HOLE 7660-7717 | | | Depth Casing Shoe 7660 | | | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT | | | | | |
| 12-1/4 | 8-5/8 | 334 | 300 | | | | | |
| 7-7/8 | 5-1/2 | 7660 | 150 | | | | | |
| | 2-3/8 | 7702 | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

| | | | |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas - MCF |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|----------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Gas |
| Testing Method (pilot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size |



VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

John E. Schalk
 (Signature)
JOHN E. SCHALK
 (Title)
 June 5, 1981
 (Date)

OIL CONSERVATION COMMISSION

APPROVED _____
JUN 12 1981
 BY Original Signed by FRANK T. CHAVEZ
 SUPERVISOR DISTRICT # 3

TITLE _____
 This form is to be filed in compliance with RULE 1104.
 If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
 All sections of this form must be filled out completely for allowable on new and recompleted wells.
 Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
 Separate Forms C-104 must be filed for each pool in multiply

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

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—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
LONE STAR INDUSTRIES, INC., C/O JOHN E. SCHALK

3. ADDRESS OF OPERATOR
P. O. BOX 2078, FARMINGTON, NEW MEXICO

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
1760' FROM NORTH LINE, 1190' FROM WEST LINE

14. PERMIT NO. | 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
| 6796' GR

5. LEASE DESIGNATION AND SERIAL NO.
NM - 4462

6. IF INDIAN, ALLOTTED OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
SCHALK 62

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
BASIN DAKOTA

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 33, T32N, R5W

12. COUNTY OR PARISH | 13. STATE
RIO ARRIBA | N. MEX.

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

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|---|---|--|
| TEST WATER SHUT-OFF <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | WATER SHUT-OFF <input type="checkbox"/> | REPAIRING WELL <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | MULTIPLE COMPLETE <input type="checkbox"/> | FRACTURE TREATMENT <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | (Other) <u>CHANGE OPERATOR NAME</u> <input checked="" type="checkbox"/> | |

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

NO. 2 - CHANGE DESIGNATION OF OPERATOR:

FROM: LONE STAR INDUSTRIES, INC.
C/O JOHN E. SCHALK
P. O. BOX 2078
FARMINGTON, NEW MEXICO 87401

TO: COASTLINE PETROLEUM COMPANY, INC.
C/O JOHN E. SCHALK
P. O. BOX 2078
FARMINGTON, NEW MEXICO 87401

ENCLOSURE
 This notice is being filed for the purpose of giving notice to the public of the proposed operations to be performed on the well described herein. The operations described herein are subject to the provisions of the Act of March 3, 1909, (35 Stat. 1609), and the regulations thereunder. The operations described herein are subject to the provisions of the Act of March 3, 1909, (35 Stat. 1609), and the regulations thereunder. The operations described herein are subject to the provisions of the Act of March 3, 1909, (35 Stat. 1609), and the regulations thereunder.

18. I hereby certify that the foregoing is true and correct

SIGNED: John E. Schalk TITLE: _____ DATE: 10/2/74

(This space for Federal or State office use)

APPROVED BY: _____ TITLE: _____ DATE: _____

CONDITIONS OF APPROVAL, IF ANY:

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

All distances must be from the outer boundaries of the Section

| | | | | |
|--|-----------------------------------|--------------------------|-------------------------------------|--------------------------|
| Operator COASTLINE PETROLEUM COMPANY, INC. JOHN E. SCHALK | | Lease SCHALK 62 | | Well No. 2 |
| Unit Letter E | Section 33 | Township 32 NORTH | Range 5 WEST | County RIO ARriba |
| Actual Footage Location of Well: 1760 feet from the NORTH line and 1190 feet from the WEST line | | | | |
| Ground Level Elev. 6796.0 | Producing Formation GALLUP | Pool GALLUP | Dedicated Acreage: 160 Acres | |

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 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.

RECEIVED
NOV - 5 1974
OIL CON. COM.
DIST. 3

NOV 4 1974

CERTIFICATION

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

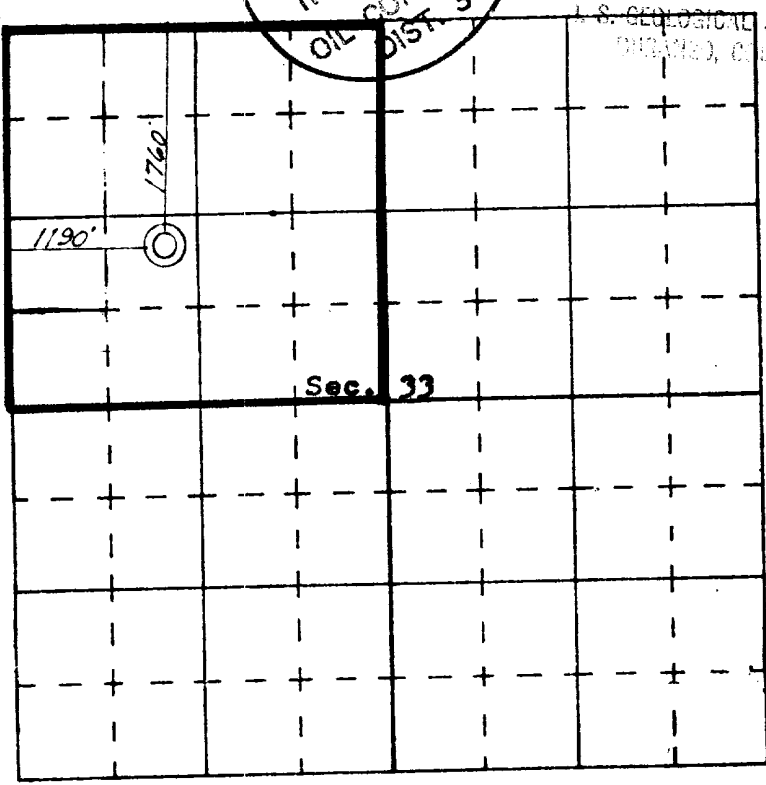
John E. Schalk
Name
JOHN E. SCHALK
Position
AGENT

Company
COASTLINE PETROLEUM COMPANY, INC

Date
OCTOBER 31, 1974

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: **10 June, 1974**
Registered Professional Engineer and/or Land Surveyor
J.P. Leese
JAMES P. LEESE
Certificate No. **1462**



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

SK

ARAPAHOE DRILLING CO.

P.O. BOX 2078 • FARMINGTON, NEW MEXICO 87401

JOHN E. SCHALK
MANAGING PARTNER

OCTOBER 24, 1974

AREA CODE 505
TELEPHONE: 325-5018

DEVIATION RECORD

RE: SCHALK 62 WELL NO. 2
SECTION 33, TOWNSHIP 32 NORTH, RANGE 5 WEST
RIO ARRIBA COUNTY, NEW MEXICO

WELL SPUDDED: 06-28-73
TOTAL DEPTH: 7717'
REACHED TOTAL DEPTH: 07-17-73

| <u>DATE</u> | <u>FOOTAGE</u> | <u>DEVIATION</u> |
|-------------|----------------|------------------|
| 06-29-73 | 339' | 3/4° |
| 06-30-73 | 832' | 3/4° |
| 06-30-73 | 1367' | 3/4° |
| 07-01-73 | 1746' | 1 ° |
| 07-02-73 | 2246' | 1 ° |
| 07-03-73 | 2749' | 3/4° |
| 07-04-73 | 3223' | 1 ° |
| 07-04-73 | 3757' | 3/4° |
| 07-05-73 | 4230' | 3/4° |
| 07-07-73 | 4987' | 1/2° |
| 07-08-73 | 5579' | 3/4° |
| 07-10-73 | 6015' | 1/2° |
| 07-12-73 | 6488' | 3/4° |
| 07-14-73 | 6991' | 1/2° |
| 07-15-73 | 7307' | 3/4° |

ARAPAHOE DRILLING COMPANY

Donna G. Hughes

DONNA G. HUGHES
OFFICE MANAGER

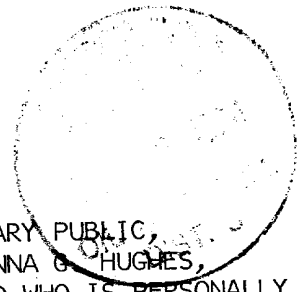
STATE OF NEW MEXICO
COUNTY OF SAN JUAN

ON THIS 24TH OF OCTOBER, 1974 BEFORE ME, A NOTARY PUBLIC,
IN AND FOR SAID COUNTY, PERSONALLY APPEARED DONNA G. HUGHES,
OFFICE MANAGER OF ARAPAHOE DRILLING COMPANY AND WHO IS PERSONALLY
KNOWN TO ME, AND MAKES OATH THAT THE MATTERS SET FORTH IN THE
FOREGOING STATEMENT ARE TRUE.

MY COMMISSION EXPIRES:

September 26, 1975

Maria L. Cleghorn
NOTARY PUBLIC



NEW MEXICO OIL CONSERVATION COMMISSION
INITIAL WELL DELIVERABILITY TEST REPORT FOR 19 _____

Form C122-A
 Revised 1-1-66

| | | | |
|--------------------------------|------------------------------|--|-----------------------------|
| POOL NAME Rosa Basin | POOL SLOPE n = .75 | FORMATION Dakota Gallup | COUNTY Rio Arriba |
|--------------------------------|------------------------------|--|-----------------------------|

| | | | | | |
|--|--------------------------------------|---|--|--|--|
| COMPANY Coastline Petroleum Co., Inc. | | | WELL NAME AND NUMBER Schalk 62-2 | | |
| UNIT LETTER E | SECTION 33 | TOWNSHIP 32N | RANGE 5W | PURCHASING PIPELINE Northwest Pipeline | |
| CASING O.D. - INCHES 5.500 | CASING I.D. - INCHES 4.950 | SET AT DEPTH - FEET 7660 | TUBING O.D. - INCHES 2.375 | TUBING I.D. - INCHES 1.995 | TOP - TUBING PERF. - FEET 7702 |
| GAS PAY ZONE FROM 7674 TO 7686 | | WELL PRODUCING THRU CASING _____ TUBING X | | GAS GRAVITY .591 | GRAVITY X LENGTH 4552 ✓ |
| DATE OF FLOW TEST FROM 1-10-75 TO 1-18-75 | | | DATE SHUT-IN PRESSURE MEASURED 1-23-74 | | |

PRESSURE DATA - ALL PRESSURES IN PSIA

| | | | | | | |
|--------------------------------------|---|--|--|--|--|--|
| (a) Flowing Casing Pressure (DWt) | (b) Flowing Tubing Pressure (DWt) | (c) Flowing Meter Pressure (DWt) | (d) Flow Chart Static Reading | (e) Meter Error (Item c - Item d) | (f) Friction Loss (a - c) or (b - c) | (g) Average Meter Pressure (Integr.) 190 |
| (h) Corrected Meter Pressure (g + e) | (i) Avg. Wellhead Press. P _t = (h + f) 190 ✓ | (j) Shut-in Casing Pressure (DWt) 3162 | (k) Shut-in Tubing Pressure (DWt) 3162 | (l) P _c = higher value of (j) or (k) 3162 ✓ | (m) Del. Pressure P _d = 80 50 % P _c 2530 1581 | (n) Separator or Dehydrator Pr. (DWt) for critical flow only |

FLOW RATE CORRECTION (METER ERROR)

| | | | |
|---|---|--|--|
| Integrated Volume - MCF/D 373 | Quotient of $\frac{\text{Item c}}{\text{Item d}}$ 1.000 | $\sqrt{\frac{\text{Item c}}{\text{Item d}}}$ 1.000 | Corrected Volume Q = 373 ✓ MCF/D |
|---|---|--|--|

WORKING PRESSURE CALCULATION

| | | | | | |
|---------------------------------|---|---|----------------------------|--|--------------------------------------|
| $(1 - e^{-s})$.282 ✓ | $(F_c Q_m)^2 (1000)$ 12,299 ✓ | $R^2 = (1 - e^{-s}) (F_c Q_m)^2 (1000)$ 3,468 ✓ | P_t^2 36,100 ✓ | $P_w^2 = P_t^2 + R^2$ 39,569 ✓ | $P_w = \sqrt{P_w^2}$ 199 ✓ |
|---------------------------------|---|---|----------------------------|--|--------------------------------------|

DELIVERABILITY CALCULATION

$$D = Q \left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right]^n = \frac{373 \left[\frac{3,597,344}{9,958,675} \right]^n}{\left[\frac{7,498,683}{9,958,675} \right]^n} = \frac{373 \cdot .7530^n}{.8083^n} = \frac{301}{174} \text{ MCF/D}$$

REMARKS:

SUMMARY

| | | |
|----------------|-------------------------------|-------|
| Item h | 190 ✓ | Psia |
| P _c | 3162 ✓ | Psia |
| Q | 373 ✓ | MCF/D |
| P _w | 199 ✓ | Psia |
| P _d | 2530 1581 ✓ | Psia |
| D | 301 174 ✓ | MCF/D |

Company **Coastline Petroleum Co., Inc.**
 Title **Agent**
 Witnessed By _____
 Company _____

RECEIVED
 MAR 17 1975
 OIL CON. COM.
 DIST. 3

OK