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Appropriate District Office
~~DISTRICT I~~
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

~~DISTRICT II~~
P.O. Drawer DD, Artesia, NM 88210

~~DISTRICT III~~
1000 Rio Brazos Rd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Hallwood Petroleum, Inc.		Well API No. 30-045-22125
Address P.O. Box 378111, Denver, CO 80237		
Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Operator <input type="checkbox"/>		<input type="checkbox"/> Other (Please explain) Effective 8/1/90
Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input checked="" type="checkbox"/>		
If change of operator give name and address of previous operator _____		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Federal 1	Well No. 1	Pool Name, including Formation Basin Dakota	Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Fee	Lease No. SM1126
Location Unit Letter <u>I</u> : <u>1525</u> Feet From The <u>South</u> Line and <u>820</u> Feet From The <u>East</u> Line Section <u>1</u> Township <u>31N</u> Range <u>13W</u> , NMPM, San Juan County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> Giant Refining Co.	Address (Give address to which approved copy of this form is to be sent) P. O. Box 4156, Phoenix, AZ 85068					
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> El Paso Natural Gas Co.	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1492, El Paso, TX 79978					
If well produces oil or liquids, give location of tanks.	Unit <u>1</u>	Sec. <u>1</u>	Twp. <u>31N</u>	Rge. <u>13W</u>	Is gas actually connected? Yes	When? _____

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
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

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 Tank	Date of Test	Producing Method (Flow pump, gas lift, etc.) RECEIVED	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

OIL CON. DIV.

DIST. 3

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (pucc, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

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

Holly S. Richardson
Signature
Holly S. Richardson Sr. Ops. Eng. Tech.
Printed Name
8/14/90
Date
(303) 850-6322
Title
Telephone No.

OIL CONSERVATION DIVISION

AUG 22 1990

Date Approved

By

Bruce D. Chung

SUPERVISOR DISTRICT #3

Title

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.

STATE OF NEW MEXICO
ENERGY and MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

Page 1
Revised 10/01/78

This form is not to
be used for reporting
packer leakage tests
in Southeast New Mexico

NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator Hallwood Petroleum Inc. Lease Federal Well No. I-1
Location of Well: Unit I Sec. 1 Twp. 31N Rge. 13W County San Juan

	NAME OF RESERVOIR OR POOL	TYPE OF PROD. (Oil or Gas)	METHOD OF PROD. (Flow or Art. Lift)	PROD. MEDIUM (Tbg. or Csg.)
Upper Completion	<u>Mesa Verde</u>	<u>Gas</u>	<u>Flow</u>	<u>TBG</u>
Lower Completion	<u>Dakota</u>	<u>Gas</u>	<u>Flow</u>	<u>TBG</u>

PRE-FLOW SHUT-IN PRESSURE DATA

Upper Completion	Hour, date shut-in <u>5-28-91 10:45A.</u>	Length of time shut-in <u>6 days</u>	SI press. psig <u>465 TP / 465 CP</u>	Stabilized? (Yes or No) <u>Yes</u>
Lower Completion	Hour, date shut-in <u>5-28-91 10:45A.</u>	Length of time shut-in <u>6 days</u>	SI press. psig <u>782 TP / -</u>	Stabilized? (Yes or No) <u>Yes</u>

FLOW TEST NO. 1

Commenced at (hour, date)* <u>Noon 6-3-91</u>				Zone producing (Upper) or Lower: <u>Mesa Verde</u>	
TIME (hour, date)	LAPSED TIME SINCE*	PRESSURE		PROD. ZONE TEMP.	REMARKS
		Upper Completion	Lower Completion		
<u>6-5-91 11:30A.</u>	<u>48 HRS.</u>	<u>438 TP / 451 CP</u>	<u>790 TP.</u>	<u>65°F</u>	
<u>6-7-91 11:30A.</u>	<u>96 HRS.</u>	<u>436 TP / 451 CP</u>	<u>795 TP.</u>	<u>66°F</u>	

RECEIVED
JUL 05 1991
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Production rate during test

Oil: _____ BOPD based on _____ Bbls. in _____ Hours. _____ Grav. _____ GOR _____
Gas: 166 MCFPD; Tested thru (Orifice or Meter): 89522

MID-TEST SHUT-IN PRESSURE DATA

Upper Completion	Hour, date shut-in <u>6-10-91 11:00A.</u>	Length of time shut-in <u>3 days</u>	SI press. psig <u>4410 TP / 4411 CP.</u>	Stabilized? (Yes or No) <u>Yes</u>
Lower Completion	Hour, date shut-in <u>6-10-91 11:00A.</u>	Length of time shut-in <u>3 days</u>	SI press. psig <u>805 TP.</u>	Stabilized? (Yes or No) <u>Yes</u>

(Continue on reverse side)

NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Pg 20 2

FLOW TEST NO. 2

Commenced at (hour, date)**		Zone producing (Upper or Lower)			
6-13-91 Noon		Dakota			
TIME (hour, date)	LAPSED TIME SINCE **	PRESSURE		PROD. ZONE TEMP.	REMARKS
		Upper Completion	Lower Completion		
6-15-91 Noon	48 HRS	460 TP/462 CP	441 TP	68°F	
6-18-91 11:00 PM	119 HRS	460/464 CP	439 TP	70°F	

Production rate during test

Oil: _____ BOPD based on _____ Bbls. in _____ Hours. _____ Grav. _____ GOR _____

Gas: 22 MCFPD: Tested thru (Orifice or Meter): 89531

Remarks: _____

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

Approved JUL 05 1991 19 _____
New Mexico Oil Conservation DivisionOperator Hallwood Petroleum, Inc.By Doug ElworthyTitle Production OperatorDate 6-24-91By _____ Original Signed by CHARLES GHOLSON
Title DEPUTY OIL & GAS INSPECTOR, DIST. #3

NORTHWEST NEW MEXICO PACKER LEAKAGE TEST INSTRUCTIONS

1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.

2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.

3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days.

4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in the case of a gas well and for 24 hours in the case of an oil well. Note: if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to the lack of a pipeline connection the flow period shall be three hours.

5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except

that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.

7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hours tests: immediately prior to the beginning of each flow-period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the conclusion of each flow period. 7-day tests: immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aztec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 10-01-78 with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only).