



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

October 15, 1990

Meridian Oil, Inc.  
P.O. Box 4289  
Farmington, NM 87499-4289

Attention: Peggy Bradfield

*RE: Unorthodox coal gas well location, Turner Hughes Well No. 2,  
1025' FNL - 885' FWL (Unit D); 11-T27N-R9W, NMPM,  
Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

Having received several applications in the past to recompleat existing wells to the Basin-Fruitland Coal Gas Pool at unorthodox coal gas well locations, usually Pictured Cliffs wells, which are off pattern for coal gas development, it appears that additional information may be necessary to properly evaluate future filings in instances when there are two wells in the proposed coal spacing unit producing from the same formation in which the one to be recompleated is off-pattern.

In the immediate instance, the proposed N/2 320-acre coal dedication has two South Blanco Pictured Cliffs Gas wells; the subject Turner Hughes Well No. 2 located in Unit D and the Turner Hughes Well No. 10 located in Unit B at a standard coal gas well location. Why was the Well No. 2 chosen over the No. 10 well? Also, how does this off-pattern recompleat effect coal development in the immediate area? Please submit any supporting production data, engineering evaluation and related technical data to support your choice of wells for recompleat. Also submit a plat of the offsetting sections showing the coal completions presently planned or currently producing and provide a discussion addressing the proposed off-pattern development.

Should you have any questions, please contact me.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington

MERIDIAN OIL CONSERVATION DIVISION  
RECEIVED

'90 OCT 29 AM 10 02

October 19, 1990

New Mexico Oil Conservation Division  
Attn: Mr. Michael E. Stogner  
P.O. Box 2088  
Santa Fe, New Mexico 87504

RE: Turner Hughes #2  
1025' FNL, 885' FWL (Unit D)  
Section 11, T27N, R09W  
Basin Fruitland Coal Gas Pool  
San Juan County, New Mexico  
Unorthodox Coal Gas Well Location

Dear Mr. Stogner:

At the time Meridian Oil submitted the above-referenced unorthodox coal gas well location for your approval, we were aware that two South Blanco Pictured Cliffs gas wells were located in the N/2 320-acre coal dedication. Therefore, in response to your letter dated October 15, 1990 regarding the subject well, the following is submitted:

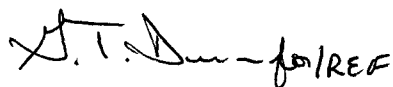
The primary justification of choosing the Turner Hughes #2 over the Turner Hughes #10 (standard location) was the productivity of the wells. The Turner Hughes #2 has been producing at 12 MCF/D and is uneconomic to operate. Workovers and sales compression of the producing formation were evaluated, but these alternatives could not be economically justified. The Turner Hughes #10 has sustained production of 25 MCF/D and is currently economic to operate. The plug back of the Turner Hughes #10 at this time for the sole purpose of a standardized location would not be considered prudent management by Meridian of existing reserve potential. Meridian does not feel the productivity of the coal will vary between the locations. Recompletion of the Turner Hughes #2 will allow us to produce Fruitland Coal reserves without creating economic waste by drilling a new well.

New Mexico Oil Conservation Division  
Turner Hughes #2  
Page Two

Included is the requested plat of offsetting sections showing completed coal projects and those proposed to date. Although all proposed coal gas well development projects are included, additional projects may be proposed in the future. Because it is less desirable from an economic standpoint to drill new wells in this area, the off pattern development utilizing the existing subject wellbore represents the most prudent operation for the immediate area.

Should you have any questions, please contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. E. Fraley", followed by a horizontal line and the text "for REF".

Richard E. Fraley  
Regional Production Engineer

REF/SHL:tt

attachments

cc: Oil Conservation Division/Aztec  
US Bureau of Land Management/Farmington  
Peggy A. Bradfield

DATE: OCTOBER 19, 1990  
NAME: TURNER HUGHES #2  
FORM: FRUITLAND COAL

LOCATION  
UNIT: D  
SEC: 11  
TWN: 27N  
RNG: 09W

T 27  
N

[1]

[2]

[3]

[12]

\*  
TURNER HUGHES #2  
(PC)  
PROPOSED R/C

[11]

\*  
TURNER HUGHES #11  
(PC)  
COMPLETED R/C

[10]

[13]

[14]

[15]



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

XC: KOB  
REF

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**MERIDIAN OIL** October 15, 1990

OCT 17 1990

Meridian Oil, Inc.  
P.O. Box 4289  
Farmington, NM 87499-4289

FARMINGTON, NEW MEXICO  
REGULATORY

Attention: Peggy Bradfield

RE: *Unorthodox coal gas well location, Turner Hughes Well No. 2,  
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Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.*

Dear Ms. Bradfield:

Having received several applications in the past to recomplate existing wells to the Basin-Fruitland Coal Gas Pool at unorthodox coal gas well locations, usually Pictured Cliffs wells, which are off pattern for coal gas development, it appears that additional information may be necessary to properly evaluate future filings in instances when there are two wells in the proposed coal spacing unit producing from the same formation in which the one to be recompleted is off-pattern.

In the immediate instance, the proposed N/2 320-acre coal dedication has two South Blanco Pictured Cliffs Gas wells; the subject Turner Hughes Well No. 2 located in Unit D and the Turner Hughes Well No. 10 located in Unit B at a standard coal gas well location. Why was the Well No. 2 chosen over the No. 10 well? Also, how does this off-pattern recompletion effect coal development in the immediate area? Please submit any supporting production data, engineering evaluation and related technical data to support your choice of wells for recompletion. Also submit a plat of the offsetting sections showing the coal completions presently planned or currently producing and provide a discussion addressing the proposed off-pattern development.

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Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

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