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JASON KELLAHIN (RETIRED 1991)

FACSIMILE COVER SHEET

DATE: November 24, 1998

TIME: 2:20 PM (Santa Fe) ***

Pages: -3-

TO: Rand Carroll, Esq.

OF: NMOCD

FAX NO: (505) 827-8177

REF: NMOCD Case 11514
Application of Read & Stevens
for an unorthodox infill gas well
location in the Buffalo Valley-Penn Gas Pool
Chaves County, New Mexico

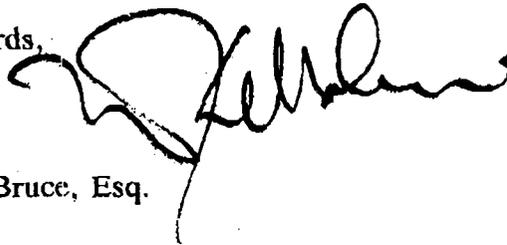
*Dorothy -
sent copy
of this to
Artesia, then
file. Jux.*

Dear Mr. Carroll:

I have received a copy of your November 16, 1998 letter to Mr. Bruce in which you state that the Division cannot locate a copy of the Read & Stevens October 23, 1997 deliverability test. Please find enclosed a copy of the test and the November 22, 1997 transmittal letter to the NMOCD-Artesia.

I would note that in my November 2, 1998 letter to you that numbered paragraph (7) contains an error. The deliverability test actually was 1,767 MCF which yields a penalized allowable of 884 MCFPD. The balance of the information is correct.

Regards,



cfx: James Bruce, Esq.

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-122-C
Revised 4-1-91

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DELIVERABILITY TEST REPORT

Type Test <input type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special			Test Date 10-18-97		
Company Read & Stevens, Inc.			Connection GPM Gas Corporation		
Well Buffalo Valley			Formation Morrow		
Completion 4-19-97		Total Depth 9050'		Pore Seal TD 8998'	Elevation 3492' GR
Casing Size 5 1/2"	WT. 17#	4.892	Set At 9040'	Perforations From 8654 To 8678	Form or Lease Name Harris Federal
Casing Size 2-3/8"	WT. 4.6#	1.995	Set At 8546'	Perforations From To	Well No. 11
Type Well - Single - Bradwood - O.G. or G.O. Multiple Single				Packer Set At 8546'	County Chaves
Producing Thru Tbg. 8666		Reservoir Temp. °F 157 @ 8660'	Mean Annual Temp. °F 60	Base Press. - P _w 13.2	State New Mexico
L 8666	H 8666	G _a 0.634	% CO ₂ 0.3	N ₂ 1.20	% H ₂ S Prorated Meter Run Taps
FLOW DATA			TUBING DATA		CASING DATA
Prorated Line Size	Check Orifice Size	Press. p.s.i.g.	Diff. in. H ₂ O	Temp. °F	Press. p.s.i.g.
Total Flow Meter			63.8	628	
			60.3	258	24 Hours
Coefficient (24-Hour)	$\sqrt{\frac{P_w}{P_c}}$	Pressure P _w	Flow Temp. Factor F ₁	Gravity Factor F _g	Super. Compres. Factor F _{pr}
					Rate of Flow Q, Mcfd 1,448.3
P ₁	Temp. R.	T ₁	Z	Gas Liquid Hydrocarbon Ratio <u>Dry Gas</u> Mcf/mbbl.	
0.405	520.3	1.425	0.948	A.P.G. Gravity of Liquid Hydrocarbons <u>Dry</u> Deg.	
63.2				Specific Gravity Separator Gas <u>0.634</u> XXXXXXXXXXX	
4.00				Specific Gravity Flowing Field <u>XXXX</u>	
641.2	P _c	411.1		Critical Pressure <u>669</u> p.s.i.a. p.s.i.g.	
				Critical Temperature <u>366</u> °R °F	
				P ₁ P ₂	
P ₁	P ₂	P _c - P ₁	P _w	P _w ²	P _c ² - P _w ²
271.2	73.5	337.6	371.1	137.7	273.4

$$\left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right] = \left[\frac{407.1}{273.4} \right] = 1.4890$$

$$L_{oe} \left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right] = 0.1729$$

$$\left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right]^n = 1.220$$

$$n L_{oe} \left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right] = 0.0865$$

$$Deliv. = Q \left[\frac{P_c^2 - P_d^2}{P_c^2 - P_w^2} \right]^n$$

Deliv. 1,767 Mcfd
0.5

Multi Point Back Pressure Test
(Source of n)

Division _____
Company Read & Stevens, Inc.
Others Tested by West-Test Inc.

UNITED BANK PLAZA
400 N. PENN. SUITE 1000

CHARLES B. READ
PRESIDENT

PHONE 505 622-3770
FAX: 505 622-8643

Read & Stevens, Inc.
Oil Producers
P. O. Box 1548
Roswell, New Mexico 88201

October 23, 1997

New Mexico Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210-2834

RE: Harris Federal #11
Section 26 T15S-R27E
Chaves County, New Mexico
Semiannual Deliverability Test
De Novo Case #11514
Order #R10822

Ladies & Gentlemen:

Enclosed please find Form C-122-C for the subject well. Per the subject order number, Read & Stevens, Inc. is required to conduct a deliverability test every six months into the pipeline on the subject well. The order went on to state that Read & Stevens, Inc. would be assessed a production penalty of fifty percent (50%) of the wells ability to produce into a pipeline as determined from the deliverability test. The deliverability test was performed October 18, 1997 and the Artesia OCD office was advised of the date and time of the test. Read & Stevens, Inc. was advised that if there was no OCD representative on location at test time to proceed with the test. There was no witness from the OCD.

Please note on the Form C-122-C that the twenty four (24) hour test into the pipeline was 1,448 MCF, and the calculated deliverability at pipeline pressure using the "n" from the Multipoint Back Pressure Test of April 14, 1997 was 1,787 MCFD. Taking the deliverability of 1,787 MCFD times fifty percent (50%) would yield an allowable of 884 MCFD for the subject well. Please instate an allowable of at least 880 MCFD for the subject well.

If you have any questions, please advise.

Sincerely,

READ & STEVENS, INC.


John C. Maxey Jr.
Petroleum Engineer

JCM/sr/jcm/lrs/ocdha11.wpd

Enclosure
xc: File, Partners