



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

SEP 10 1995 8:04
11517

JENNIFER SALISBURY
CABINET SECRETARY

GARY JOHNSON
GOVERNOR

September 8, 1995

Rand Carroll, Legal Bureau
Oil Conservation Division
2040 So. Pacheco Street
Santa Fe, NM 87505

Re: Well Plugging, Mercury Prod Co, Constate #1 D-36-16-31

Dear Rand:

We recommend the above captioned well be plugged to protect fresh waters of the state of New Mexico, the environment and correlative rights in the area.

Sincerely,

Ray Smith
Field Rep II

RS:br

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
<u>CCD</u>	EXHIBIT NO. <u>1</u>
CASE NO. <u>11517</u>	

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Mercury Production Co.
Constate #1, Ut D-36-16-31

Plugging Procedure:

1. Run in hole with tubing to 3339' and spot a 100 Sx plug. This will cover the Queen at 3094' and bring cement to around 2000'. Est TOC 1738'.
2. Place mud between plugs.
3. Perforate at 200' and circulate cement to surface leaving casing full.
4. Set dry hole marker.
5. Clean and level location.

Contractor will need to make sight assessment of roads and location and repair as necessary.

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division

Room 1001
Santa Fe, New Mexico 88211-7529

Fold at line over top of envelope to the
right of the return address

CERTIFIED

Z 212 312 923

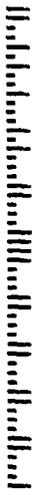
MAIL

Mercury Production Co.
Rigolea Bnk Bldg, Suite 1212
Fort Worth, TX 76116

DELIVERABLE
ADDRESSING ONLY PERMITTED

FWD. ADDR.

RETURN TO SENDER 0001 03/22/95
THIS BARCODE IS FOR
THE RETURN ADDRESS
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Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address
 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Mercury Production Co.
Rigelea Bank Bldg. Suite 1212
Ft. Worth, TX 76116

4a. Article Number

Z 212 312 923

4b. Service Type

- Registered Insured
- Certified COD
- Express Mail Return Receipt for Merchandise

7. Date of Delivery

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6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.



GARY JOHNSON
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY
CABINET SECRETARY

March 22, 1995

Mercury Production Co.
Rigelea Bank Bldg, Ste. 1212
Fort Worth, TX 76116

Re: Properly Abandoned Wells

Rule 201 A. states that the operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. states a well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within 90 days after (1.) A 60 day period following suspension of drilling (2.) A determination that the well is no longer usable for beneficial purposes (3.) A period of 1 year in which a well has been continuously inactive.

The Mercury Production, Constate #1 located in Ut. D-36-16-31 was shut in in September 1974 but not in accordance with the above rules. It has been well over a year with no production.

Please forward to this office, by May 1, 1995, a plan to plug and abandon this well.

Yours Truly,

A handwritten signature in cursive script that reads "Ray Smith".

Ray Smith
Field Rep II

MERCURY PRODUCTION CO.
~~XXXXXXXXXXXX~~

\$10,000 Blanket Plugging Bond

Approved 2/14/64

The Consent of Surety Rider changing the principal on the above-captioned bond to Mercury Production Company from Frank Darden is hereby approved on September 14, 1965.

Cancelled February 13, 1973, as to any property or wells acquired, started, or drilled by the principal after that date. However, it should be noted subject bond will remain in effect as to any property or wells acquired, started, or drilled by the principal prior to February 13, 1973.

Cancelled: 11-14-77 Bond # SY 320057



and MINERALS DEPARTMENT

vation Division
)
 aw Mexico 88211-7529

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MAIL

Mercury Production Co.
 Rigelea Bnk Bldg, Suite 1212
 Fort Worth, TX 76116

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RETURN TO SENDER 0001 03/22/95
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 THE RETURN ADDRESS
 RETURN ZIP/BARCODE
 88211-0000



PS Form 3800, March 1993

Sent to	Mercury Production Co.
Street and No	Rigelea Bank Bldg Suite 1212
P.O., State and ZIP Code	Ft. Worth, TX 76116
Postage	\$.32
Certified Fee	
Special Delivery Fee	2.20
Restricted Delivery Fee	
Return Receipt Showing to Whom; Date, and Addressee's Address	
TOTAL Postage & Fees	\$ 2.52
Postmark or Date	March 22, 1995

Receipt for Certified Mail
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TRANSPORTER	OIL <input checked="" type="checkbox"/>
	GAS <input type="checkbox"/>
OPERATOR	
PRORATION OFFICE	

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

RECEIVED

DEC 21 1965

**O. C. C.
ARTESIA, OFFICE**

I. **Operator**
Mercury Production Company

Address
1522 Fort Worth National Bank Building, Fort Worth, Texas 76102

Reason(s) for filing (Check proper box) Other (Please explain)

New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Ownership <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of ownership give name and address of previous owner _____

II. **DESCRIPTION OF WELL AND LEASE**

Well Name Constate	Well No. 1	Pool Name, Including Formation Grayburg-Jackson (Queen-Gbr-SA)	Kind of Lease State, Federal or Fee	State State
Location: Unit Letter D , 660 Feet From The North Line and 660 Feet From The West				
Line of Section 36 , Township 16S Range 31E , NMPM, Eddy County				

III. **DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
Continental Pipeline Company	Artesia, New Mexico			
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
None	-			
If well produces oil or liquids, give location of tanks.	Unit D	Sec. 36	Twp. 16S	Rge. 31E
	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 <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input checked="" type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Res'v. <input type="checkbox"/>	Diff. Res'v. <input type="checkbox"/>
Date Spudded September 21, 1965	Date Compl. Ready to Prod. October 14, 1965		Total Depth 3995'		P.B.T.D. 3992'			
Well Grayburg-Jackson	Name of Producing Formation Queen-Grayburg-San Andres		Top Oil/Gas Pay 3339'		Tubing Depth 3960'			
Perforations 3339' to 3342' (3 holes), 3381-1/2' to 3383-1/2' (2 holes), 3684-1/2' to 3685-1/2' (2 holes), 3734' to 3737' (3 holes), 3777' to 3781-1/2' (5 holes), 3812' to 3814' (2 holes), 3834' to 3834' (7 holes), and 3950' to 3954' (4 holes).					Depth Casing Shoe 3994'			
HOLE SIZE (4 holes). CASING & TUBING SIZE			DEPTH SET		SACKS CEMENT			
15"			13-3/8" O.D.		30'			
7-7/8"			4-1/2" O.D.		3994'			
4"			2-3/8" O.D.		3960' (Tubing)			
					3 yards ready mix around shoe and 100 sacks spotted behind casing at 1000'.			

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 October 14, 1965	Date of Test November 11, 1965	Producing Method (Flow, pump, gas lift, etc.) Pump - 2" x 1-1/2" x 10' Cup and Ring Pump	
Length of Test 24 hours	Tubing Pressure --	Casing Pressure --	Choke Size --
Actual Prod. During Test	Oil-Bbls. 2.07	Water-Bbls. 5.00	Gas-MCF Nil

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure	Casing Pressure	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.

C.W. Stankoff
(Signature)

Manager of Operations
(Title)

December 18, 1965
(Date)

OIL CONSERVATION COMMISSION

APPROVED **DEC 21 1965**, 19__

BY *M.L. Armstrong*
OIL AND GAS INSPECTOR

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 Sections I, II, III, and VI only 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 multi-completed wells.

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OPERATOR	1

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

RECEIVED

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
B-5300

1a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER
DEC 21 1965

b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR.
O. C. C. ARTESIA, OFFICE

7. Unit Agreement Name
-

8. Farm or Lease Name
Constata

2. Name of Operator
Mercury Production Company

9. Well No.
1

3. Address of Operator
1522 Fort Worth National Bank Building, Fort Worth, Texas 76102

10. Field and Pool, or Wildcat
Grayburg-Jackson

4. Location of Well
UNIT LETTER **D** LOCATED **660** FEET FROM THE **North** LINE AND **660** FEET FROM

12. County
Eddy

THE **West** LINE OF SEC. **36** TWP. **16S** RGE. **31E** NMPM

15. Date Spudded **September 21, 1965** 16. Date T.D. Reached **October 3, 1965** 17. Date Compl. (Ready to Prod.) **October 14, 1965** 18. Elevations (DF, RKB, RT, GR, etc.) **4132' RKB** 19. Elev. Casinghead **4125'**

20. Total Depth **3995'** 21. Plug Back T.D. **3992'** 22. If Multiple Compl., How Many **-** 23. Intervals Drilled By Rotary Tools **3995'** Cable Tools **-**

24. Producing Interval(s), of this completion - Top, Bottom, Name
3339'-3954' Penrose-Grayburg-San Andres

25. Was Directional Survey Made
Yes (Totco)

26. Type Electric and Other Logs Run
Lane-Wells Gamma Ray - Acoustilog - Focused Log

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8" O.D.	-	30'	15"	3 yards ready mix cement	None
4-1/2" O.D.	9.5	3994'	7-7/8"	400 sacks - 300 sacks around shoe and 100 sacks spotted behind casing @ 1000'.	None

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8" O.D.	3960'	None

31. Perforation Record (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
INTERVAL	HOLES	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3339'-42' (3-3/8" holes)	3950'54' (4-3/8" holes)	3339'-42' & 3381'-1/2' - 83'-1/2'	Wtr. Frac-8085# sand
3381'-1/2' - 83'-1/2' (2-3/8" holes)		3684'-1/2' - 85'-1/2' & 3734' - 37'	Wtr. Frac-4700# sand
3684'-1/2' - 85'-1/2' (2-3/8" holes)		3777' - 81'-1/2' & 3812' - 34'	Wtr. Frac-8544# sand
3734' - 37' (3-3/8" holes)		3950'54'	Wtr. Frac-2625# sand
3777' - 81'-1/2' (5-3/8" holes)			
3812' - 34' (7-3/8" holes)			

33. PRODUCTION
Date First Production **October 15, 1965** Production Method (Flowing, gas lift, pumping - Size and type pump) **Pumping - 2" x 1-1/2" x 10' Cup and Ring Pump** Well Status (Prod. or Shut-in) **Prod.**

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
Nov. 11, 1965	24	-	2.07	Nil	5.00	Nil	Nil
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	
-	-	2	Nil	5	30		

34. Disposition of Gas (Sold, used for fuel, vented, etc.) **Vented** Test Witnessed By **Winton Northcott**

35. List of Attachments
Lane-Wells Gamma Ray - Acoustilog - Focused Log

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED C. W. Lumbhoff TITLE Manager of Operations DATE December 18, 1965

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SANTA FE	1
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LAND OFFICE	
OPERATOR	1

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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

SEP 30 1974

O. C. C.
ARTESIA, OFFICE

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. E-5300

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name ---
2. Name of Operator Mercury Production Company ✓	8. Farm or Lease Name Constate
3. Address of Operator Suite 1212 Ridglea Bank Bldg.; Fort Worth, Texas 76116	9. Well No. 1
4. Location of Well UNIT LETTER D , 660' FEET FROM THE North LINE AND 660' FEET FROM THE West LINE, SECTION 36 TOWNSHIP 16-S RANGE 31-E NMPM.	10. Field and Pool, or Wildcat Grayburg-Jackson
15. Elevation (Show whether DF, RT, GR, etc.) 4132 KB	12. County Eddy

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input checked="" type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

This well was drilled as a producing location in a waterflood five-spot pattern which was being developed in the offsetting section. While the primary production from the well is not commercial, the electric logs indicate a good thickness of productive oil sands which should respond to waterflooding. It is therefore requested that this well be permitted to remain on a shut-in status until waterflood development reaches this area of the field.

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

SIGNED Frank Darden TITLE Agent DATE Sept. 17, 1974

APPROVED BY W. A. Gessett TITLE OIL AND GAS INSPECTOR DATE DEC 12 1974

CONDITIONS OF APPROVAL, IF ANY: Shut in 10-1-75

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OPERATOR	2

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

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5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
E-5300

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Mercury Production Company	8. Farm or Lease Name Constata
3. Address of Operator 1522 Fort Worth National Bank Bldg., Fort Worth, Texas 76102	9. Well No. 1
4. Location of Well UNIT LETTER D 660 FEET FROM THE North LINE AND 660 FEET FROM THE West LINE, SECTION 36 TOWNSHIP 168 RANGE 31E NMPM.	10. Field and Pool, or Wildcat Grayburg-Jackson
15. Elevation (Show whether DF, RT, GR, etc.) 4,132' RKB (7' above GR)	12. County Eddy

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>
OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>
	PLUG AND ABANDONMENT <input type="checkbox"/>
	OTHER <input type="checkbox"/>

17. 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.

The Constata #1 was spudded on 9-21-65. 13-3/8" o.d. conductor pipe was set and cemented at 30' with ready-mix cement as per approved Form C-101 dated September 21, 1965. Total depth of 3995' was reached on October 3, 1965, and 4-1/2" O.D. casing was run and set at 3994'. The 4-1/2" O.D. casing was cemented with 400 sacks - 300 sacks around casing shoe and 100 sacks behind 4-1/2" O.D. pipe at 1000'. Casing was pressure tested and found to be holding.

The well was completed as follows: (1) Perforated 3339'-42" and 3381-1/2' - 83-1/2' and water frac with 8,085# sand, (2) Perforated 3684-1/2' - 85-1/2' and 3734' - 37' and water frac with 4,700# sand, (3) perforated 3777' - 81-1/2' and 3812'-34' and water frac with 8,544# sand, and (4) perforated 3950' - 54' and water frac with 2,625# sand.

After some mechanical difficulty, the well was potentialled on November 11, 1965, for 2 barrels of oil and 5 barrels of water.

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

SIGNED C. W. Stumboffer TITLE Manager of Operations DATE December 18, 1965

APPROVED BY M. L. Armstrong TITLE Oil and Gas Inspector DATE DEC 22 1965

CONDITIONS OF APPROVAL, IF ANY:

MERCURY PRODUCTION COMPANY
FORT WORTH NATIONAL BANK BUILDING
FORT WORTH, TEXAS
ED 6-4753

FRANK DARDEN
C. W. STUMHOFFER

December 20, 1965

RECEIVED

DEC 22 1965

O. C. C.
ARTESIA, OFFICE

Mr. M. L. Armstrong
Oil and Gas Inspector
State of New Mexico
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Form C-103's for Frank Darden
Mobil State #1, SE NW Section
24-T18S-R28E and Mercury Pro-
duction Company Constate #1,
NW NW Section 36-T16S-R31E,
all in Eddy County, New Mexico

Dear Mose:

Per our telephone conversation of December 20, we are enclosing completed Form C-103 for the subject wells.

Should there be any other matters that require our attention concerning these two wells, please contact us.

Very truly yours,

MERCURY PRODUCTION COMPANY

C. W. Stumhoffer

C. W. Stumhoffer

CWS:f
Encls.

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30-015-05017
Form C-101
Revised 1-1-65

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED, SEP 20 1965
EXPIRES 12-19-65
O. C. C.
ARTEZIA, OFFICE

5A. Indicate Type of Lease
STATE FEE
5. State Oil & Gas Lease No.
E-5300

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Mercury Production Company

3. Address of Operator
1522 Fort Worth National Bank Bldg., Fort Worth, Texas 76102

4. Location of Well UNIT LETTER D LOCATED 660' FEET FROM THE North LINE
AND 660 FEET FROM THE West LINE OF SEC. 36 TWP. 16S RGE. 31E NMPM

7. Unit Agreement Name
8. Farm or Lease Name
Constate
9. Well No.
1
10. Field and Pool, or Wildcat
Grayburg-Jackson
12. County
Eddy

19. Proposed Depth 4100'
19A. Formation San Andres
20. Rotary or C.T.
Rotary

21. Elevations (Show whether DF, RT, etc.) 4125' GL
21A. Kind & Status Plug. Bond Blanket
21B. Drilling Contractor WEK Drilling Co.
22. Approx. Date Work will start September 20, 1965

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
18"	13-3/8" O.D.	54.5#	30'	30	Circulate
7-7/8"	4-1/2" O.D.	9.5#	4100'	250	3250'

This well will be drilled approximately 200' into the San Andres or to a sufficient depth to test the Lovington sand.

One joint of 13-3/8" O.D. conductor pipe will be set at approximately 30' and cemented to surface. A 11" hole will be drilled to a depth of 350', and hole will then be reduced to 7-7/8" to total depth. After logging, a string of 4 1/2" O.D. casing will be set at total depth and cemented with 250 sacks of cement. A second stage of 25 sacks will be placed behind the 4 1/2" O.D. pipe at the top of the salt.

The Matex and Premier zones of the Grayburg and the Lovington zone of the San Andres will be perforated, and each zone will be fracture treated for production w/slick water and sand.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE, GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed C. W. Stumhoffer Title Manager of Operations Date September 16, 1965

(This space for State Use)

APPROVED BY W. A. Gressett TITLE SEAL AND GAS INSPECTOR DATE SEP 21 1965

CONDITIONS OF APPROVAL, IF ANY: Notify this office prior to running the 4 1/2" casing, at which time the amount of cement to be used on the second stage will be determined.

2. If more than one lease is dedicated to the well, outline each and identify the ownership interest and royalty.
3. 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 been 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

SEP 20 1965

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the

R3YE

6099

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY
CABINET SECRETARY

January 9, 1996

Mercury Production
809 Ft Worth Nat. Bank Bldg.
Ft. Worth, TX 76102

Re: Properly Abandoned Wells, Mercury Prod, Constate #1 D-36-16-31

Dear Sirs;

The State of New Mexico is in the process at this time of reviewing leases and determining the number of abandoned wells.

Rule 201 A. states the operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. states a well shall be either properly plugged & abandoned or temporarily abandoned in accordance with these rules within 90 days after (1) a 60 day period following suspension of drilling. (2) a determination that the well is no longer usable for beneficial purposes. (3) a period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Permission was granted in September 1974 to temporarily shut this well in until 10/01/75 pending possible waterflood.

Please submit a plan by February 1, 1996 to plug the well.

Yours Truly,



Ray Smith
Deputy Oil & Gas Inspector

RS:br

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <i>Mercury Production Co</i>		Lease <i>Con State</i>		Well No. <i>1</i>	
Unit Letter <i>D</i>	Section <i>36</i>	Township <i>16S</i>	Range <i>31E</i>	County <i>Eddy</i>	
Actual Footage Location of Well: <i>660</i> feet from the <i>North</i> line and <i>660</i> feet from the <i>West</i> line					
Ground Level Elev. <i>4125</i>	Producing Formation <i>GRAYBURG-SAN ANDRES</i>		Pool <i>GRAYBURG-JACKSON</i>	Dedicated Acreage: <i>40</i> 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?

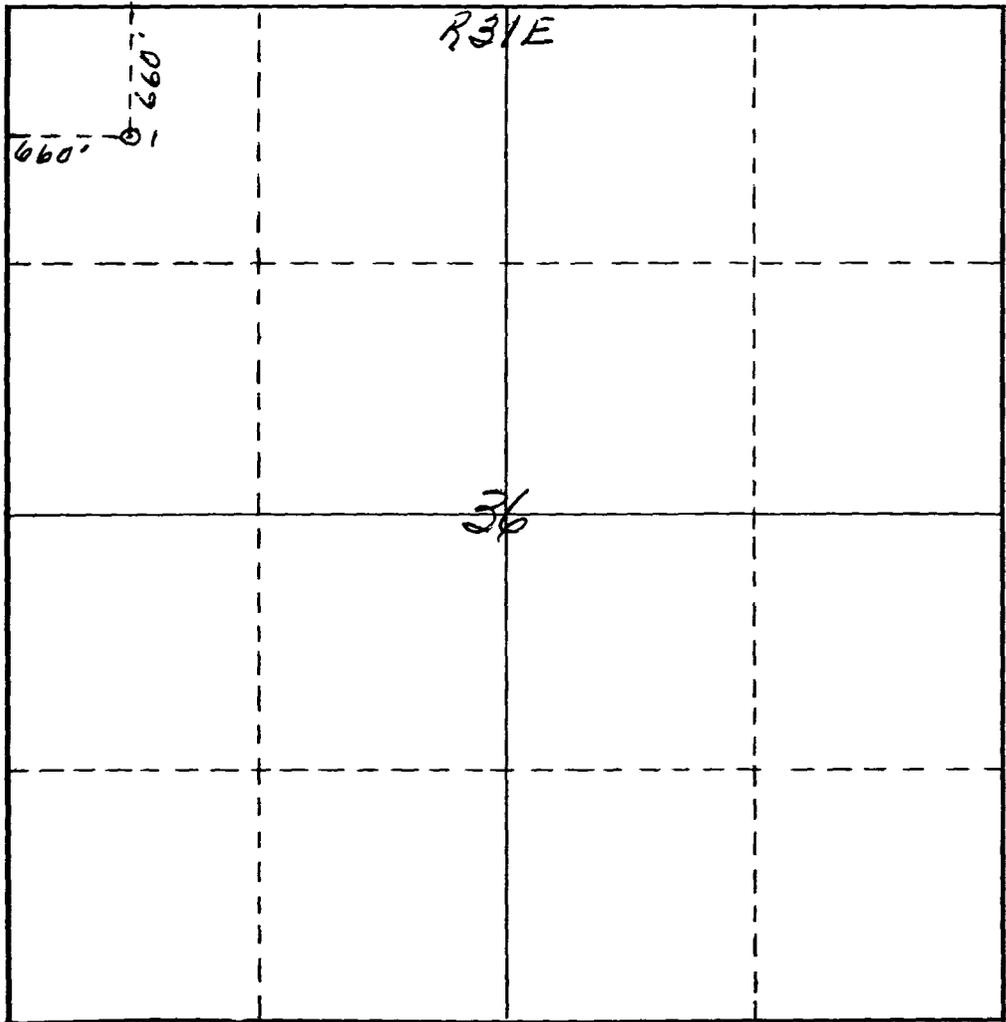
RECEIVED

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been 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.

SEP 20 1965



CERTIFICATION

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

Name
C. W. Stumloff

Position
MANAGER OF OPERATIONS

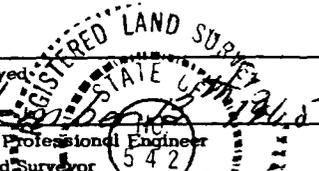
Company
MERCURY PRODUCTION COMPANY

Date
SEPTEMBER 16, 1965

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: _____
Seaton
Registered Professional Engineer and/or Land Surveyor
542

James H. Brown
Certificate No. *542*



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ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
811 S. First St.
Artesia, NM 88210

Order from 905-1001

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 212 312 930

MAIL

RETURN RECEIPT REQUESTED

NOT 212

~~Mercury Production
809 Pt. Worth Nat. Bank Bldg.
Pt. Worth TX 76102~~

RETURN TO SENDER 01/23/96
THIS BARCODE IS FOR
THE RETURN ADDRESS
RETURN ZIP/BARCODE
96210-0000



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBUR
CABINET SECRETARY

April 18, 1996

Mercury Production
1522 Ft Worth Nat'l Bank Bldg
Ft. Worth, Texas 76102

Re: Properly Abandoned Well, Mercury Prod, Constate #1 D-36-16-31

Dear Sirs:

The state of New Mexico is in the process at this time of reviewing leases and determining the number of abandoned wells.

Rule 201 A. states the operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

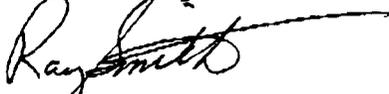
Rule 201 B. states a well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within 90 days after (1) a 60 day period following suspension of drilling. (2) a determination that the well is no longer usable for beneficial purposes. (3) a period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Permission was granted in September 1974 to temporarily shut this well in until 10/01/75 pending possible waterflood.

Please submit a plan by May 1, 1996 to plug this well.

Yours Truly,



Ray Smith
Deputy Oil & Gas Inspector

RS:br



Fold at line over flap & envelope to the right of flap to address

CERTIFIED

Z 212 312 942

MAIL

RETURN RECEIPT REQUESTED

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
Drawer DD
Artesia, New Mexico 88211-7529

Mercury Production
1522 Ft. Worth Nat'l Bank Bldg.
Ft. Worth, TX

