

LOWRY OPERATIONS

SOUTH BLANCO TOCITO POOL
RIO ARRIBA COUNTY, NEW MEXICO

BEFORE THE
OIL & GAS COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 2
CASE 1353

Date of First Production: July, 1951
Date Water Injection Commenced: October 7, 1953

	PRODUCTION			
	<u>Oil - Bbls.</u>	<u>Gas - MCF</u>	<u>Water - Bbls.</u>	<u>GOR</u>
Before Water Injection	712,315	1,188,825	0	1669:1
After Water Injection	<u>1,419,052</u>	<u>2,388,427</u>	<u>479,077</u>	1683:1
Cumulative 10/31/57	2,131,367	3,577,252	479,077	1678:1

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	<u>Date</u>	<u>Bottomhole Pressure</u>		<u>Incr. Oil</u>	<u>Bbls. Oil</u>
		<u>Avg. PSI</u>	<u>Change-PSI</u>	<u>Prod. -Bbls.</u>	<u>Produced</u>
Initial Condition	7/51	2197	-	-	-
At Commencement of Water Injection	10/53	1971	226	712,315	3152
Current Condition	10/57	1821	150	1,419,052	9460

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From commencement of water injection to present date, one (1) barrel of water injected in reservoir occupies equivalent space of approximately 700 cubic feet of gas.

Cumulative Water Injected
to 10/31/57 3,250,661 barrels

Cumulative Water Produced
to 10/31/57 479,077 barrels

Net Water Injected
to 10/31/57 2,771,584 barrels

Equivalent amount of gas necessary to occupy same reservoir space as net water injected:

$$2,771,584 \text{ bbls.} \times .700 \text{ MCF} = 1,940,109 \text{ MCF}$$

	<u>Gas Production MCF</u>	<u>Gas Equivalent Injected MCF</u>	<u>Net Gas Produced MCF</u>	<u>Oil Produced Bbls.</u>	<u>Net GOR</u>
Before					
Water Injection	1,188,825	--	1,188,825	712,315	1669:1
After					
Water Injection	2,388,427	1,940,109	448,318	1,419,052	316:1
	<u>3,577,252</u>			<u>2,131,367</u>	

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Daily Average Oil Production
Inception to 10/31/57

920 barrels

Daily Average Oil Production
October 7, 1953, to October 31, 1957

955 barrels

LOWRY OPERATIONS
WATER FLOOD PROJECT
Schedule of Expenditures

BEFORE THE
OIL FIELD REVENUE COMMISSION
SALT LAKE, NEW MEXICO
CASE _____ EXHIBIT No. 1353

<u>Classification</u>	<u>Amount</u>
Major Flood	
Water plant	\$ 131,933.78
Water supply well	51,139.69
Water and oil lines	151,401.89
Central tank battery	77,084.69
Unallocable	98,702.71
General and administrative	<u>8,683.55</u>
Total Major Flood	\$ 518,946.31
Pilot Flood	<u>93,315.22</u>
Total Combined Expenditures	<u>\$ 612,261.53</u>
Total Combined Expenditures To April 30, 1955	\$ 612,261.53
Additional Expenditures Subsequent To April 30, 1955	<u>77,711.15</u>
Total Combined Expenditures To November 30, 1957	<u>\$ 689,972.68</u>

NOTE: These expenditures do not include original costs involved in the drilling of Wells PC-89, T-134, T-85 and T-87, now being utilized in connection with the water flood program.

LOWRY OPERATIONS

BEFORE THE
OIL FIELD REVENUE COMMISSION
SOUTH DAKOTA
CASE 1353 5

Schedule of Operating Expenses - Water Flood

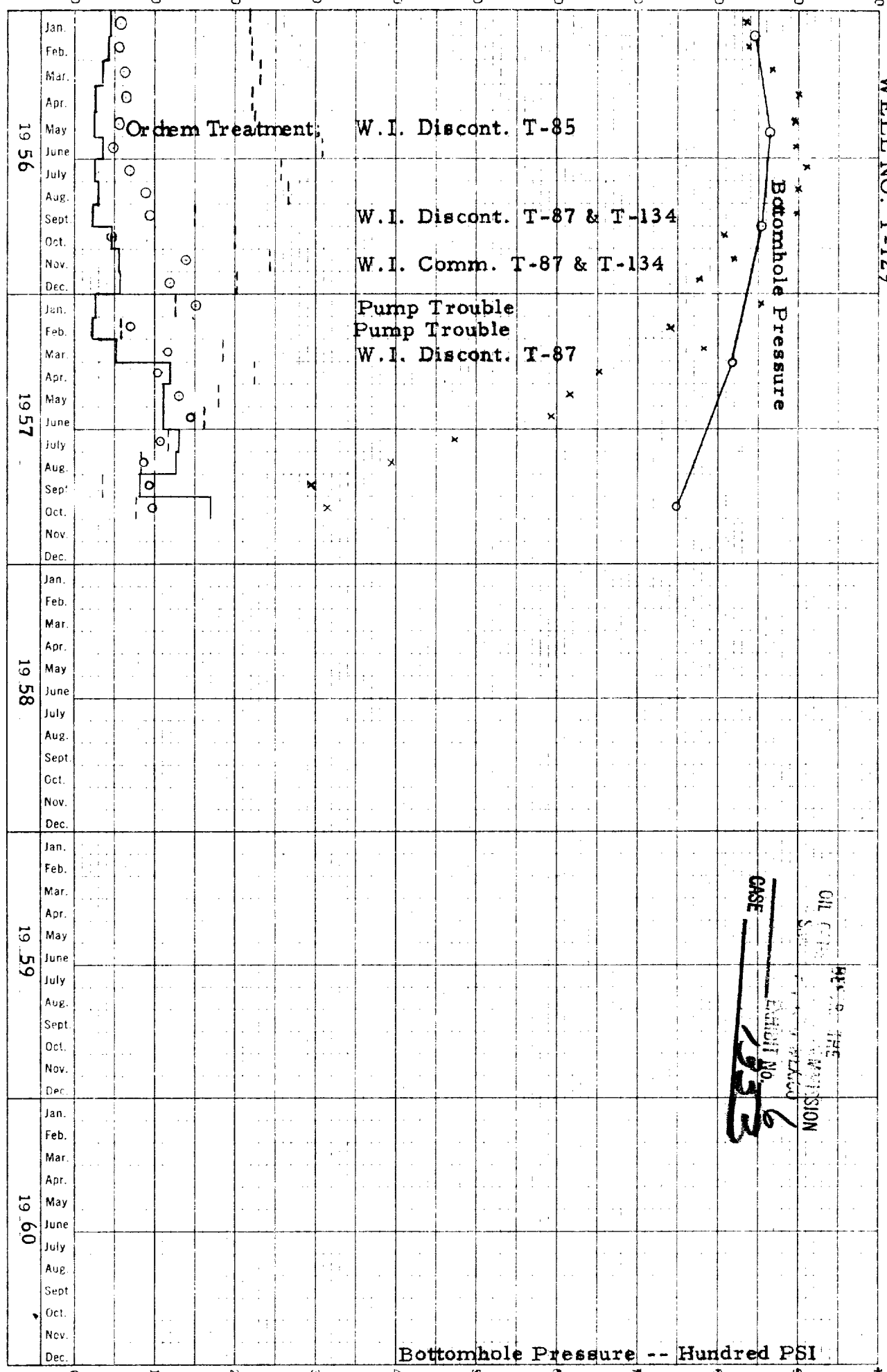
(Prepared Upon the Basis of Expenses Paid)

	<u>For the Calendar Year</u>	
	<u>1956</u>	<u>1955</u>
Salaries and wages	\$ 6,234.80	\$ 15,293.04
Well servicing	2,354.11	15,755.18
Materials and supplies	13,991.77	14,109.21
Trucking, maintainer, ditch-digger and tractor usage	1,851.20	4,964.93
Repairs and maintenance	7,896.86	5,247.05
Geological and outside engineering	13,447.50	9,205.42
Management services	3,765.00	660.00
Management special services	2,418.61	5,868.47
Insurance	2,259.04	4,288.60
Payroll and ad valorem taxes	1,695.64	963.10
Camp Erkan overhead	10,035.56	14,518.25
Miscellaneous	2,133.55	1,137.84
	<u>\$ 68,083.64</u>	<u>\$ 92,011.09</u>

Gas-Oil Ratio -- 100 Cu. Ft.

5 YEARS BY MONTHS 359-192
X 100 DIVISIONS
KEUFFEL & ESSER CO.

WELL NO. T-129



OIL FIELD
APPROX. THE
DIVISION
CASE No. 12336

Daily Oil
Daily Water
Gas-Oil Ratio
Water Percentage

Bottomhole Pressure -- Hundred PSI

THURMOND-McGLOTHLIN

Gas Testing and Measurement

Box 207 — Phone 632

ARDMORE, OKLAHOMA

L. W. McGLOTHLIN

December 7, 1957

BEFORE THE
OIL FIELD VALUATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 7
CASE 1353

Lowry Oil Co.
Box 967
Farmington, New Mexico

Attn: Mr. Frank Gray

Dear Sir:

Enclosed is the completed Gas-Oil Ratio tests on the East Blanco - Tocito Field. These tests were conducted under actual flowing and pumping practices that now exist in this field.

Yours very truly,

Thurmond-McGlothlin

LWM/bm
Enc.

048/OIL REPORT 0485 EAST PIA C. TOSITO FIELD

November 28 to December 1, 1957

COMPANY	LEASE	WELL NO.	OLD PROD.	048 PROD.	OUR	WATER	HOURS TESTED
Liberty	Federal	T-185	141.38	215 M	1521	0	20.5
Liberty	Federal	T-132	108.84	121 M	2029	0	24.0
Liberty	Federal	T-125	86.01	123 M	2193	0	8.0
Liberty	Federal	T-127	152.46	269 M	1764	0	12.0
Liberty	Federal	T-179	23.84	319 M	10155	67.01	0.0
Liberty	Federal	T-128	57.85	92 M	1502	21.61	1.0
Liberty	Federal	T-134	51.47	111 M	3705	0	0.0
Liberty	Federal	T-107	101.86	127 M	1702	25.79	12.0
Liberty	Federal	T-177	13.36	598 M	20558	0	4.0
Liberty	Federal	T-138	30.72	166 M	5412	24.43	10.0
Liberty	Federal	T-1	107.7	956 M	9101	0	18.0
Liberty	Federal	T-1	51.15	1167 M	19039	0	22.0

0485 is not a well, but a lease. It is not a well, but a lease. It is not a well, but a lease.

Thurmond, McElabblin

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LOWRY OPERATIONS

SOUTH BLANCO TOCITO POOL
RIO ARriba COUNTY, NEW MEXICO

RECEIVED
JUL 11 1951
1353

CALCULATION OF UNIT ALLOWABLE

DISCOVERY WELL: LOWRY FEDERAL T-179

Location: 1980' FSL, 1980' FEL, Section 9,
Township 26N, Range 6W.

Completion Date: July 11, 1951

Top of Producing Formation: 6605 ft.

Total Depth: 6692 ft.

Production Casing: 7" O.D. Casing Set @ 6615' (Csg. Shoe)

Initial Potential: 720 Barrels of Oil Per Day

Normal Unit Allowable
Established by Order A-97: 28 Bbls. Per Day

Proportional Factor --
80-Acre Proration Units
6000' to 7000': 2.77

Top Unit Allowable: 78 Barrels

451
1353

**PROPOSED OIL ALLOWABLE PLAN
SOUTH BLANCO TOCITO POOL
RIO ARriba COUNTY, NEW MEXICO**

	<u>GOR</u>	<u>Top Allowable Wells</u>	<u>Well Potential Limited Capacity Wells</u>	<u>Assigned Daily Allowable - Bbls.</u>
(a) Wells Subject to 2000:1 Gas Oil Ratio				
<u>Texas National Petroleum Company</u>				
Rincon #6	7101:1	--		22
Rincon #11	18039:1	--		9
Rincon #20	--	--	20	20
TOTAL				<u>51</u>
<u>Lowry Et Al Operating Account</u>				
T-123	3785:1			41
T-125	2196:1			71
TOTAL				<u>112</u>
(b) Wells Exempt From Gas Oil Ratio Limitation Because of Water Injection and Granted a Combined Allowable, Which Allowable May be Produced in Any Proportion From Any or All of Said Wells				
<u>Lowry Et Al Operating Account</u>				
T-85 (WI)			12	
T-87 (WI)			40	
T-109		X		
T-127		X		
T-129		X		
T-132		X		
T-134			10	
T-157 (WI)		X		
T-177		X		
T-179		X		
T-182		X		
T-185		X		
T-207		X		
Top Allowable - 10 Wells				780
Limited Capacity - 3 Wells				62
TOTAL				<u>842</u>
TOTALS --	Texas National Petroleum Company			51
	Lowry Et Al Operating Account			<u>954</u>
	South Blanco Tocito Pool			1005