

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 11, 1968

Major, Giebel & Forster
1126 Vaughn Building
Midland, Texas 79701

Re: Order No. R-3307

Gentlemen:

Reference is made to your letter of March 8, 1968, requesting an extension of time in which to file the compilation of actual well costs for the well recently completed on lands pooled by the Commission by Order No. R-3307.

We do not have authority to extend this filing time administratively. However we do know that in many cases complete costs are not available from actual invoices in time to meet the 30-day deadline.

We suggest that you file a compilation of the costs that you do have invoices for within the allotted 30-day period, sending a copy to the Commission and each known working interest owner pursuant to the requirements of Paragraph 5 of the order, making it clear that the costs are incomplete and that a supplemental tabulation of costs will be filed within 30 days. This procedure may then be repeated if necessary.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ir

cc: Case File No. 3633

MAJOR, GIEBEL & FORSTER

**R. O. MAJOR, GEOLOGIST
A. F. GIEBEL, PETROLEUM ENGINEER
FRED FORSTER, JR., ENGINEER**

1126 VAUGHN BUILDING - 915 - MU 4-7121
MIDLAND, TEXAS 79701

March 8, 1968

The Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application of V. F. Vasicek and J. M. Fullinwider,
dba V-F Petroleum for Compulsory Pool in Lea County, New Mexico
Case No. 3633, Order No. R3307

Gentlemen:

In response to the above captioned order, Paragraph 5 requires that we furnish the actual well cost within thirty days following the completion of the well. Inasmuch as all costs relating to the drilling and completion of this well which would be considered actual well cost have not been received by the operators, we request that we be granted additional time in order to complete the compilation of these costs from invoices. We would appreciate an extension of the time in which to comply with this order to no later than April 1, 1968. This will allow us to be accurate in compiling these costs and relieve us of having to make subsequent corrections for invoices that may be slow in being received by ourselves.

We would appreciate your consideration of this request and will comply according to your decision.

Yours very truly,

MAJOR, GIEBEL & FORSTER
as Operators


R. O. Major

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V - F PETROLEUM
VAUGHN BUILDING MUTUAL 3-3344
MIDLAND, TEXAS
September 29, 1967

V. F. VASICEK

J. M. FULLINWIDER

2/10 3/1
3633

New Mexico Oil Conservation Commission
Santa Fe, New Mexico 87501

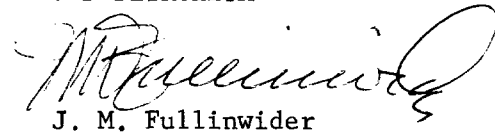
Force Pooling Order
#R-3307 - Lea County,
New Mexico.

Gentlemen:

Enclosed please find duplicate copies of letter received from
Ashmun & Hilliard pertaining to the above caption.

Very truly yours,

V-F PETROLEUM


J. M. Fullinwider

JMF:bjs

Enclosure

1967 OCT 2 2 11 0 0

J. B. ASHMUN
H. T. HILLIARD

ASHMUN & HILLIARD
710 VAUGHN BUILDING
MIDLAND, TEXAS 79701

PHONE MU 4-8271

September 26, 1967

V - F Petroleum
Vaughn Building
Midland, Texas 79701

Gentlemen:

Thank you for your letter of September 22. Please be advised that Ashmun & Hilliard will not join the drilling of the oil well in the NW/4 SW/4, Section 6, Township 13-South, Range-38-East, Lea County, New Mexico.

Cordially yours,

ASHMUN & HILLIARD


H. T. Hilliard

/jb

1967 Oct 2 AM 10 50

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 11, 1967

Mr. Jason Kellahin ✓
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. 3633
Order No. R-3307
Applicant:
V. F. VASICEK &
J. M. FULLINWIDER

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x ✓

Artesia OCC

Aztec OCC

Other Mr. R. S. Morris - Mr. H. T. Hilliard ✓

V - F PETROLEUM

VAUGHN BUILDING MUTUAL 3-3344

September 22, 1967

V. F. VASICEK

J. M. FULLINWIDER

Ashmun & Hilliard
Suite 1120 - Mills Tower
220 Bush Street
San Francisco, California 98184

Attention: Mr. H. T. Hilliard

West Bronco Area
Lea County, N.M.

Gentlemen:

We assume you have been notified by the New Mexico Oil Conservation Commission that under Order #R-3307 your 3/16 W.I. underlying the NW/4 SW/4 Section 6, Township 13-South, Range-38-East, Lea County, New Mexico, has been forced pooled. V-F Petroleum has been named as Operator of the well and under the said order all W.I. owners have the right to participate in the drilling of said well by paying their pro-rata share of the estimated cost thereof.

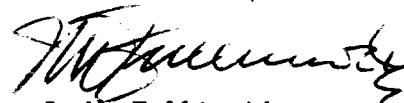
Enclosed you will find two copies of cost sheet setting forth the estimated cost to drill and complete our #1 E. B. Anderson. In the event you choose to join in the drilling of this well you should forward to us your share, 3/16, of the estimated cost of this well; we compute this amount to be \$42,757.12.

If you do not wish to join in the drilling of this well, we earnestly request that you notify us of this decision by return mail so we may commence operations for drilling.

If we may provide additional information, please notify.

Very truly yours,

V-F PETROLEUM


J. M. Fullinwider

JMF:bjs

Enclosures

cc: New Mexico Oil Conservation Commission
Santa Fe, New Mexico

COST SHEET

ESTIMATED COST TO DRILL AND COMPLETE E. B. Anderson No. 1, West Bronco,
Lea County, New Mexico (including pump installation)

Intangible Expenses

Stake and prepare location, roads, damages	\$ 3,000	*
Mud and chemicals + 11¢ tax	10,000	*
Drill contract: 12,300' @ \$ 7.25 /ft	90,528	*
Day work: 6 days @ \$ 1200 /day	7,200	*
Electric log LS, GR, Sonic, MLL, LL	4,300	*
Perforate	750	
Cementing casing 400 surface, 1000 intermediate, 500 long csg.	5,900	*
Acid or frac 1000 acid	750	
Unit time for completion	3,000	
Drill stem tests 2 wfc, 1 dev.	2,100	*
Geological and engineering consulting		*
Coring _____' @ _____ \$/ft; analyze _____' @ _____ \$/ft		*
Misc. equipment rental		*
Allowance for contingencies (5 %)	6,500	*
Sub-total	\$ 134,028	(_____ %)

Capital Items (Tangible Expenses)

Casing and tubing:		
400 ' of 12 3/4 " @ \$ _____/ft	\$ 1,560	*
4600 ' of 8 5/8 " @ \$ _____/ft	15,500	*
12,300' of 5 1/2 " @ \$ _____/ft	34,800	
12,300' of 2 3/8 " @ \$ _____/ft	10,900	
_____ ' of _____ " @ \$ _____/ft Packer & hold down	750	
Christmas tree and flowlines	3,500	
Pump unit, motor, base, rods, subsurface pump, including labor (Reda Pump complete, when needed)	13,500	
Tank batteries, w/separators, heatertreater, incl. labor (including salt water disposal down intermediate csg)	13,000	
Lease bonus to _____		*
Lease acquisition cost		*
Legal fees	500	
Sub - total	\$ 94,010	(_____ %)
Grand total	\$ 228,038	(100%)

* Total of items marked (*) is \$ 146,588 in event of a dry hole.

MAJOR, GIEBEL & FORSTER

**R. O. MAJOR, GEOLOGIST
A. F. GIEBEL, PETROLEUM ENGINEER
FRED FORSTER, JR., ENGINEER**

**1126 VAUGHN BUILDING - 915 - MU 4-7121
MIDLAND, TEXAS 79701**

September 27, 1968

File Case 3633

Oil Conservation Committee
Box 2088
Santa Fe, New Mexico 87501

Re: Order # R-3307
E. B. Anderson No. 1 Well
Lea County, New Mexico

Attention: A. L. Porter, Jr.

Enclosed you will find a finalized schedule of actual well costs for the subject well. Please use this report as your final, since some costs previously reported to you have been deleted and some have been added due to corrections and late charges which have been received.

We hope this information will be sufficient, but should some question arise please contact us.

Yours very truly,

MAJOR, GIEBEL & FORSTER

Bobby Page

Bobby Page
Accountant

cc: Ashmun & Hilliard
418 Bank of the Southwest Building
Midland, Texas 79701

Attention: Steve Koch

MAJOR, GIEBEL & FORSTER
E. B. ANDERSON NO. 1, LEA COUNTY, NEW MEXICO
FINAL REPORT - TOTAL COST
-ALL INCLUSIVE-

<u>DESCRIPTION</u>		<u>TOTAL</u>
<u>LEGAL, SURVEY & LOCATION</u>		\$ 3,444.63
Kellahin Fox - Legal Service	192.65	
Merle Shows - Survey Location	50.00	
New Mex Construction - Build Road & Location	2,501.98	
E. M. Anderson - Location Damages	500.00	
Mrs. E. B. Anderson - Location Damages	<u>200.00</u>	
<u>SURFACE CASING</u>		2,677.01
Fort Worth Pipe & Supply - 12 3/4" Casing	\$1,593.67	
Halliburton - Cementing Surface Casing	<u>1,083.34</u>	
<u>INTERMEDIATE CASING</u>		16,743.49
Fort Worth Pipe & Supply - 8 5/8" Casing	\$14,872.98	
Halliburton - Cementing Intermediate Casing	<u>1,870.51</u>	
<u>WELL & CASING HEAD</u>		1,435.07
Fort Worth Pipe & Supply - Well Head	\$ 124.30	
Fort Worth Pipe & Supply - Casing Head	<u>1,310.77</u>	
<u>TESTING & LOGGING</u>		5,865.85
Arrow Testers, Inc. - DST	\$2,466.85	
Foster Testers, Inc. - DST	732.33	
Pan Geo Atlas Corp. - Logging	<u>2,666.67</u>	
<u>MUD & CHEMICALS</u> - Midland Mud & Chemical		7,626.66
<u>CONTRACT DRILLING</u> - M - G - F Drilling Co., Inc.		102,468.83
<u>OTHER</u>		1,290.99
Lone Star Welders - Cut off Surface Casing	\$ 41.20	
O-K Welding - Cut off Intermediate Casing	78.28	
Oil Field Rental - Rental	79.53	
Permian Corporation - Crude Oil	990.00	
Western Oil Transportation - Hauling Load Oil	<u>101.98</u>	
<u>PRODUCTION CASING</u>		37,752.68
Fort Worth Pipe & Supply - 5 1/2" Casing	\$34,754.01	
O-K Welding - Cut off 5 1/2" Casing	28.84	
Halliburton - Cementing 5 1/2" Casing	<u>2,969.83</u>	
<u>TUBING</u> - Fort Worth Pipe & Supply		10,874.06
<u>FLOW LINES & MISC. LINE PIPE</u>		720.45
Gainer Field Service	\$ 494.41	
Fort Worth Pipe & Supply	<u>226.04</u>	

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E. B. ANDERSON NO. 1 (CONT'D)

<u>DESCRIPTION</u>		<u>TOTAL</u>
<u>TANKS AND HEATER TREATER</u>		7,574.31
Fort Worth Pipe & Supply - Block for Heater Treater	\$ 44.88	
Fort Worth Pipe & Supply - Heater Treater	1,699.50	
Fort Worth Pipe & Supply - 2 500 Bbl. Tanks	2,523.50	
Fort Worth Pipe & Supply - Install Heater Treater	142.25	
Gainer Field Service - Labor on Heater Treater	1,228.53	
Gandy Pump Service - Labor on Tanks	64.89	
O-K Welding - Welding on Tanks	132.25	
Mapp Tank Co. - Install tanks	451.01	
MTL. Transfer - Tank	<u>1,287.50</u>	
<u>VALVES, PLUGS AND UNIONS</u>		3,924.41
Cen-Tex Inc.	\$2,843.18	
Cicero Smith Lumber Company	74.99	
Fort Worth Pipe & Supply	<u>1,006.24</u>	
<u>ACIDIZING - Western Company</u>		484.40
<u>COLLARS & GUIDE SHOES</u>		599.51
Halliburton Company	\$ 591.27	
O-K Welding	<u>8.24</u>	
<u>RENTAL TOOLS & UNITS</u>		973.09
Pool Co. - D. D. Unit w/crew	\$ 415.09	
Rental Pipe & Supply - Power Tubing Tong	226.60	
Fannie Lee Mitchell	168.41	
New Mex Construction	<u>162.99</u>	
<u>MISCELLANEOUS</u>		1,265.57
Gainer Field Service - Roustabout	\$ 669.76	
New Mex Construction Co. - Make Clean up Complete	<u>595.81</u>	
	TOTAL COST	\$205,721.01

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MAJOR, GIEBEL & FORSTER

R. O. MAJOR, GEOLOGIST
A. F. GIEBEL, PETROLEUM ENGINEER
FRED FORSTER, JR., ENGINEER

1126 VAUGHN BUILDING - 915 - MU 4-7121
MIDLAND, TEXAS 79701

May 1, 1968

File

Oil Conservation Committee
Box 2088
Santa Fe, New Mexico

Re: Order No. R-3307
E. B. Anderson No. 1 Well
Lea County, New Mexico

Attn: A. L. Porter, Jr.

Enclosed you will find a supplemental schedule of actual well costs for the subject Well. This schedule covers only charges incurred since our first reporting to you.

These costs are still not final and are subject to additional billings which we may not have received at this time.

Another supplemental report will be filed shortly which should complete the actual costs for this Well.

Thank you for your co-operation.

Yours very truly,

MAJOR, GIEBEL & FORSTER

Bobby Page

Bobby Page
Accountant

BP:nr

Encl.

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MAJOR, GIEBEL & FORSTER
E. B. Anderson No. 1 Well
Lea County, New Mexico

COSTS PREVIOUSLY REPORTED

\$ 188,446.06

SUPPLEMENTAL COSTS:

V-F PETROLEUM - LEASE PURCHASE

5,256.51

MUD COSTS

7,626.66

Midland Mud & Chemical

TESTING

2,666.67

Pan Geo Atlas Corp. (Logging)

FLOW LINES & MISC. LINE PIPE

23.18

TANKS & HEATER TREATER

1,287.50

Material Transfer

MISC. VALVES, PLUGS, UNIONS, ETC.

128.28

Cen-Tex, Inc.

\$41.25

Fort Worth Pipe & Supply

87.03

CEMENTING

2,969.83

Halliburton Company

COLLARS & GUIDE SHOES

599.51

Halliburton Company

591.27

O. K. Welding

8.24

RENTAL, TOOLS & UNITS

331.40

Fannie Lee Mitchell, Inc.

168.41

New-Mex Construction Co., Inc.

162.99

MISCELLANEOUS

15,502.13

Gainer Field Service-Hook up Flow Lines

502.13

V-F Petroleum-Lease Purchase-Conditional

15,000.00

TOTAL COST TO DATE

\$224,837.73

* The above costs are not complete. Another supplemental report will be issued to finalize the costs.

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MAJOR, GIEBEL & FORSTER

R. O. MAJOR, GEOLOGIST
A. F. GIEBEL, PETROLEUM ENGINEER
FRED FORSTER, JR., ENGINEER

1126 VAUGHN BUILDING - 915 - MU 4-7121
MIDLAND, TEXAS 79701

March 14, 1968

Oil Conservation Committee
Box 2088
Santa Fe, New Mexico

Re: Order No. R-3307

Attn: A. L. Porter, Jr.

Enclosed you will find the itemized schedule of actual well cost for the E. B. Anderson No. 1 Well, Lea County, New Mexico. This meets the requirements of the subject order number, Paragraph 5, with the exception that the costs are not complete.

A supplemental tabulation of costs will be filed within each 30 day period hereafter until all costs are complete.

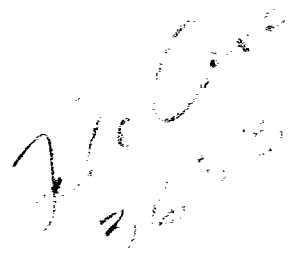
Thanking you we remain,

Yours very truly,

MAJOR, GIEBEL & FORSTER


Bobby Page,
Accountant

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MAJOR, GIEBEL & FORSTER
E. B. Anderson No. 1
Lea County, New Mexico

LEGAL, SURVEY & LOCATION

Stubbeman, McRae, Sealy & Laughlin (Title & Opinion)	\$ 802.53	\$ 3,897.51
County Clerk, Lea County, N.M. (Filing Fees)	43.00	
Merle Shows (Survey Location)	50.00	
New-Mex Const. Co., Inc. (Build Location & Road)	2,501.98	
E. M. Anderson (Location Damages)	<u>500.00</u>	

SURFACE CASING

Fort Worth Pipe & Supply (413' of 12-3/4" csg)	\$1,593.67	2,677.01
Halliburton (Cementing Surface Csg)	<u>1,083.34</u>	

INTERMEDIATE CASING

Fort Worth Pipe & Supply (4558' of 8-5/8" csg)	\$14,872.98	16,502.25
Halliburton (Cementing - Intermediate csg)	<u>1,629.27</u>	

WELL & CASING HEAD

Fort Worth Pipe & Supply (Well Head)	\$ 124.30	1,435.07
Fort Worth Pipe & Supply (Csg. Head)	<u>1,310.77</u>	

TESTS

Arrow Testers Inc.	\$2,466.85	3,199.18
Foster Testers, Inc.	<u>732.33</u>	

DRILLING COSTS

M-G-F Drilling Co., Inc.		102,468.83
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OTHER

Lone Star Welders (Cut-off Surface csg)	\$ 41.20	1,211.46
O. K. Welding (Cut-off Intermediate csg)	78.28	
Permian Corp. (Crude Oil)	990.00	
Western Oil Transportation Co., Inc. (Load Oil)	<u>101.98</u>	

5½" CASING

Fort Worth Pipe & Supply (12,374')	\$34,754.01	34,782.85
O. K. Welding - Cut off 5½" Csg.	<u>28.84</u>	

TUBING

Fort Worth Pipe & Supply (12,306')		10,874.06
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FLOW LINES & MISC. LINE PIPE

Gainer Field Service	\$471.23	697.27
Fort Worth Pipe & Supply	<u>226.04</u>	

TANKS & HEATER TREATER

Fort Worth Pipe & Supply - Block for Treater	\$ 44.88	5,647.57
Fort Worth Pipe & Supply - Heater Treater	1,699.50	
Fort Worth Pipe & Supply - 2 - 500 bbl Tanks	2,523.50	
Fort Worth Pipe & Supply - Set up Heater Treater	142.25	
Gainer Field Service - Labor on Heater Treater	1,040.30	
Gandy Pump Service - Labor on Tanks	64.89	
O. K. Welding - Welding on Tanks	<u>132.25</u>	

MISC. VALVES, PLUGS, UNIONS, ETC.

Cen-Tex Inc.	\$2,496.66	3,490.86
Cicero Smith	74.99	
Fort Worth Pipe & Supply	919.21	

ACIDIZING

Western Co. (1,000 Gallons)		476.75
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RENTAL TOOLS & UNITS

Pool Co. - Double Drum Derrick Unit	\$415.09	641.69
Rental Pipe & Supply - Power Tubing Tong Outfit	<u>226.60</u>	

MISCELLANEOUS

Black, Sivals & Bryson - Service Heater Treater	\$276.07	443.70
Gainer Field Service - Clean Up Around Battery	<u>167.63</u>	

TOTAL COST* \$188,446.06

*The above costs are not complete. Supplemental reports will be submitted when additional costs are incurred until all costs are complete.

[illegible]