JOHNSON & SHAW, P.C. ATTORNEYS & COUNSELORS AT LAW

PHOENIX, ARIZONA 85003
TELEPHONE 252-7461
AREA CODE 602
OIL CONSERVAT October 19, 1973

George H. Hunker, Esq. Hunker, Fedric & Higginbotham, P.A. P.O. Box 1837 Roswell, New Mexico 88201

Re: Grace - Atlantic Well #1

Township 22 South, Range 26 East, Section 24, South one half, Ed County, New Mexico; NMOCC Order # R-4432

Dear George:

In view of our telephone conversations of yesterday, I felt it best to respond in writing as you suggested to the most recent developments as indicated by you on the phone.

When I talked to you yesterday morning, I was under the clear impression that you and your clients wish to meet with Mr. and Mrs. Grace and El Paso Natural Gas in order to resolve any differences remaining between the parties with reference to an operating agreement and in order to comply with the obvious wishes of the Oil and Gas Commission that we get together and work out some feasible and reasonable arrangement with reference to the release of the escrowed funds in the American Bank of Carlsbad.

When you called me back on Tuesday afternoon, the situation had apparently changed completely and your clients were not willing to meet with Mr. and Mrs. Grace or with El Paso Natural Gas to resolve the current dilemma.

I am somewhat at a loss to understand the attitude and behavior of your clients and this situation has reoccurred on

George H. Hunker, Esq. October 19, 1973 Page Two

several occasions. In August you will recall we had a telephone conversation and it was my clear understanding that your clients wished to reach a settlement with reference to an equitable operating agreement which we had previously forwarded to you and you indicated that you would have to check with your clients before giving final approval to the form of the operating agreement submitted. At that time you indicated you felt we were not far apart in settlement of this matter and it seemed to me from our phone conversation of that Friday in August that a meeting with all of the parties present, including El Paso Natural Gas, would be most fruitful and hopefully conclusive of the differences between the Graces and Joe Don and Dan.

We had a further conversation on that date in which you indicated that you thought such a meeting was imperative and that you certainly would arrange to be present even though it meant cancelling several appointments; however, late the same day you called me back and informed me that Dan absolutely would not meet with us and El Paso Natural Gas. I was given no explanation as to Mr. Hannifan's refusal and frankly I could not understand then, nor can I now, the fact that when you and I discuss the matter we seem to be in agreement as to what needs to be done, then after you check with your clients the situation seems to radically change and they are unwilling to meet with the Graces and El Paso Natural Gas in an effort to resolve this situation.

In a letter of August you further indicated a willingness to consider other settlement possibilities and I had every hope that we would be able to reach a final agreement. Thereafter, on August 14, you wrote to me rescinding your previous offer and stated "although my letter to you dated August 9, 1973, might be construed as indicating that the parties are attempting a settlement, such a construction was not intended nor would it be appropriate under the circumstances."

I am afraid this has been your clients' consistent position and your changing position which I am afraid is due to their

George H. Hunker, Esq. October 19, 1973
Page Three

to follow your good advices, and which leaves me at a loss to know whence to proceed from here.

Since the Order of the Commission requires we get together and make arrangements to release the funds:

"(13) That any funds derived from the sale of gas from the subject well after 7 o'clock a.m.
June 26, 1973, attributable to D. L. Hannifin and
Joe Cook, and held in escrow by American Bank of
Carlsbad shall be released to said Hannifin and
Cook and Michael P. Grace II as to future arrangements,
escrow, bonding or whatever may be satisfactory to
the parties involved, covering the difference, if any,
between the current sales price of gas from the subject
well and the future sales price of gas."

Please give us a letter as to how you wish to accomplish this. I must insist that the letter be approved by your clients in order to prevent a reoccurrence of their mind changing propensities.

Kindest personal regards.

Very truly yours,

John P. Otto

cc: Mr. and Mrs. Grace

New Mexico Oil and Gas Commission

P.S. Insofaras your threat to make an application to replace Mr. Grace as the operator is concerned, I am unaware of any prior experience of either of your clients as an operator. JPO

# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

#### CERTIFICATE

TO WHOM IT MAY CONCERN:

I, A. L. PORTER, Jr., Secretary-Director of the New Mexico Oil Conservation Commission do hereby certify that the attached are true and correct copies of the well file on the Merland Well No. 1 located in Sec. 24, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, which are on file with the New Mexico Oil Conservation Commission.

A. L. PORTER, Jr. Secretary-Director

April 1, 1974

IN WITNESS WHEREOF, I have affixed my hand and notarial seal this lst day of April, 1974.

Notary Public

My Commission Expires:

October 28, 1977

#### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 I. R. TŘUJILLO CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

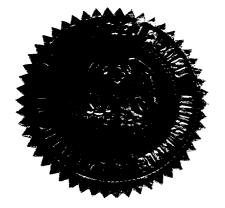
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#### CONTREBUTION NEXICO OIL CONSERVATION MISSION REQUEST FOR ALLOWABLE Supercedes Old C-104 and 11.0 Effective 1-1-65 ŧ AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS 2,0.3, AND OFFICE (HANSPORTER GAS FEB 28 1974 OPERATOR PRORATION OFFICE U. I. I. D. L. Hannifin & Joe Don Cook Autors 88201 P. O. Box 945, Roswell, New Mexico Reason(s) for filing (Check proper box) Other (Please explain) CASINGHEAD GAS BIUST NOT BE FLARED AFTER 4-26-24 [X] ew Well Change in Transporter of: Recompletion OIL Dry Ges UNLESS AN EXCEPTION TO Edit 306 Change in Ownership Concensate IS OSTAILED If change of ownership give name and address of previous owner H. DESCRIPTION OF WELL AND LEASE Pool Name, Including Formution Wildcat - Delaware Well No. Kind of Lease Lease No Fee Merland 1 State, Federal or Fee Location Feet From The East 2030 Feet From The South Line and 1846 Unit Letter\_ 22S 26E 24 Township Range NMPM. County III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS Address (Give address to which approved copy of this form is to be sent) Name of Authorized Transporter of Oil Navajo Crude Oil Purchasing Co. N. Freeman Ave., Artesia, N. M. 88210 Name of Authorized Transporter of Casinghead Gas or Dry Gas Addiess (Give address to which approved copy of this form is to be sent) When Unit Is gus actually connected? If well produces oil or liquids, 24 J 26 No If this production is commingled with that from any other lease or pool, give commingling order numbers IV. COMPLETION DATA Oil Well Gas Well New Well Deepen Plug Back | Same Res'v. Diff. Res' Workover Designate Type of Completion - (X) X Χ Date Spudded Date Compl. Ready to Prod. Total Depth 2-25-74 4518 4488 1-24-74 Elevations (DF, RKB, RT, GR, etc., Name of Producing Formation Top Oll/Gas Pay Tubing Depth 3174 GR Delaware 4454 4375 Depth Casing Shoe erforations 4518 4454 - 56 & 4458-64 TUBING, CASING, AND CEMERTING RECORD CASING & TUBING SIZE HOLE SIZE DEPTH SET SACKS CEMENT 124 250 375 5/8 8 1/2 3/8 4518 450 52 4375 V. TEST DATA AND REQUEST FOR ALLOWABLE OH. WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top all able for this depth or be for full 24 hours) Producing Method (Flow, pump, gas lift, etc.) Data First New Oil Run To Tanke Data of Test 2-25-74 2-26-74 Flowing Langth of Test ubing Proseure Coding Pressure Choka Siza 5 hrs. 400 550 16/64 Actual Pred, During Test Oil - Bbla. Water - Hbla. Gas - MCF 38 38 BO None 145 MCFPD GAS WELL Actual Prod. Test-MCF/D Length of Test Bols, Condensate/MMCF Grevity of Condensate Cosing Pressure (Shut-in) Testing Mathod (pitot, back pr.) Tubing Pressure (Shus-im ) Choke Stre OIL CONSERVATION COMMISSION VI. CERTIFICATE OF COMPLIANCE FEB 28 1974 APPROVED 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. OIL AND GAS INSPECTOR

(Signoture)

(Date)

1974

Co-Owner

February 28,

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or despensively, this form must be accompanied by a tabulation of the deviation that a larger page on the well in accordance with RULE 111.

All nections of this form must be filled out completely for allowable on new and recompleted wells.

Will out only Sactions I, II, III, and VI for changes of owner well name or number, or transporten or other such change of condition

Canarara Trama F-304 must be filed for each east la multinte

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

0.4	Alt distances must be	from the outer boundaries of	the Section.	
Hannifin	Joe Dor	Lease Merla		. Well No.
Jnit Letter Section	Township	Range	County Eda	1.,
Actual Factage Location of Wel	2:		Lac	19
2030 feet from	the South line and	1846 fee	t from the Ea	ST line   Dedicated Accesses:
3174	Delaware	wild c	at	40 Acres
1. Outline the acreage	e dedicated to the subject v	vell by colored pencil o	r hachure marks on	the plat below.
	ease is dedicated to the we	ll, outline each and ide	entify the ownership	thereof (both as to working
interest and royalty	).			IVED
	ase of different ownership is zation, unitization, force-poo			
			FEB 2	0 15/4
Yes No	If answer is "yes," type	of consolidation	<b></b>	3. 1.
If answer is "no," this form if necessa	list the owners and tract des	criptions which have a	ctually been consoli	dated. (Use reverse side of
	e assigned to the well until a	ll interests have been	consolidated (by co	mmunitization, unitization,
forced-pooling, or ot sion.	herwise) or until a non-standa	rd unit, eliminating suc	h interests, has bee	n approved by the Commis-
Sion.				CERTIFICATION
! !		į		CERTIFICATION
1		Ì	}	certify that the information con-
1		 	1	nerein is true and complete to the my knowledge and belief.
İ		Ì	( W	6 Hampio
			Name	- Openson
1		İ	Position	
1		!	Company	
1			Han Date	nifin & Cook
i		<u> </u>	2	-25-74
į		ap valence of the control of the con	1 1	y certify that the well location
1	a vigosirie	1846'_		n this plat was platted from field f actual surveys made by me or
1		14 THE RESERVE OF THE	1 1	y supervision, and that the same
1	Menl		<b>1</b> 1	and correct to the best of my
		m		
 		20	Date Surve	
				- 9-74 d Professional Engineer
			1 1	nd Surveyor
			17.7	Jummed Lan
2250			Certificate	
330 660 '90 1320	1650 1980 2310 2640 200	00 1500 1000 5	00 0	929

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SANTA FE	J 2000	NEWA	AEXICO OIL-CO	NSERVATION C	OMM. DN	<b>k</b>	cete Type of Lease
FILE		WELL COMPLE				D LOG State	Fee X
U.S.G.S.						5. State	Oi! & Gas Lease No.
LAND OFFICE				والمعود المنادد	EIVE	D	
OPERATOR				7 = -			
Ta. TYPE OF WELL	20,21		<del></del>				
Id. TYPE OF WELL	D.//	- E		, FFF	3 2 8 1974	7. Unit A	Agreement Name
b. TYPE OF COMPLE	WE	GAS WELL	L YRD	OTHER			or Lease Name
•		FLUG	DIFF.	1 -	7 77	Merl	
2. Namesof Operator	RX DEE	PEN PLUG BACK	DIFF. RESVR.	OTHER -	). C. C. BIA: 27719	9. Well N	
D. L. Hann	ifin and	Toe Don C	ook *	ه ۱۳۵۰ الاهر		9. Well 1	•
3. Address of Operator	TI III and	OUC DON C			<del></del>		d and Pool, or Wildow
P. O. Box	945. Ros	well New	Mexico &	8201		Wild	
4. Location of Well	<del>743, 100</del>	well, hen	11011100 0		<del></del>	11111	
UNIT LETTER J		2030	Sout	h 1	846		
1	•				//////////////////////////////////////	T FROM 12. Coun	
East LINE OF	24	22S	26E			Eddy	
15. Date Spudded	16. Date T.D.	Reached 17, Date	Compl. (Ready to	Prod.) 18. Elev	ations (DF, RK)	B. RT. GR. etc.)	19. Elev. Cashinghead
1-24-74	2-13-7	4 2-2	6-74	317	4 Gr	•	3176
20. Total Depth	21. PI	ug Back T.D.	22. If Multip	ole Compl., How		, Rotary Tools	, Cable Tools
4518		4488	22. If Multip Many N	o	Drilled By	Total	
24. Producing Interval(	s), of this compl	etion — Top, Bottom				<del></del>	25. Was Directional Survey
							Made
4454-4	464	Delaware					Yes
25. Type Electric and (	Other Logs Run					27	. Was Well Cored
Laterlog,	BHC Acou	stilog					No
28.		CAS	ING RECORD (Re	port all strings set	in well)		
CASING SIZE	WEIGHT LE	./FT. DEPTH	ISET HO	LE SIZE	CEMENTI	NG RECORD	AMOUNT PULLED
8 5/8	20	37	5 <b>1</b>	24	250 s	sks	
5 1/2	15.	5 451	8	7 7/8	450 s	sks	
					····		
					·		
29,		LINER RECORD		<del>,</del>	30.	TUBING R	ECORD
SIZE	тор	воттом	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	
					23/8"	4375	
			<u> </u>	<u> </u>			
31. Perforation Record	(Interval, size a:	nd number).			····	TURE, CEMENT	
4454-5	6 731			DEPTH INT			KIND MATERIAL USED
4458-6	4			4454-44	04 3	00 gal mu	id acid
					<del></del>		
33.		******	PDOF	L DUCTION			
Date First Production	Prod	luction Method (Flou			pe pump)	Well Sto	atus (Prod. or Shut-in)
2-25-74	•	Flowing		g			oducing
Date of Test	Hours Tested	Choke Size	Prod'n. For	Oil - Bbl.	Gas — MCF	Water - Bbl.	Gas-Cil Ratio
2-26-74	5 hrs	16/64	Test Period	38 BO	145MCFF	D None	6235
Flow Tubing Press.	Casing Press		- Oil - Bbl.	Gas - MCF	Water	Bbl. (	Oil Gravity - API (Corr.)
400	550	Hour Rate	182.4	145	No	one	42.5
34. Disposition of Gas	(Sold, used for fi	sel, vented, etc.)	<u> </u>	· · · · · · · · · · · · · · · · · · ·		Test Witnesse	d ByMarshall Mor
Flared						John W.	Neeld
35, List of Attachments							
-Weilhead,	Septembo	:, 500 Per	rei-Tank				
36. I hereby certify tha	the information	shown on both side	s of this form is tr	ue and complete to	the best of my	knowledge and bel	lief.
	ال الد	•		_			_
Signer (1)	6 Han	2.24.6	TITLE (	Co-Open	to.	D ATT	2-28-74

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This form is to be filled with the approxite District Office of the Commission not later to deepened well. It shall be accompanied one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filled in quintuplicate exception state land, where six copies are required. See Rule 1105.

#### INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

#### Southeastern New Mexico Northwestern New Mexico T. Canyon T. Ojo Alamo \_\_\_\_ T. Penn. "B" T. Strawn T. Kirtland-Fruitland T. Penn "C" T. Salt \_\_ \_\_\_\_\_ T. Atoka T. Pictured Cliffs T. Penn. "D" \_\_\_\_\_\_ Т, Miss \_\_\_\_\_\_ T. Cliff House \_\_\_\_\_ T. Leadville \_\_\_\_ Т 7 Rivers \_\_\_\_\_ T. Devonian \_\_\_\_\_ T: Menefee \_\_\_ \_\_\_\_\_T. Madison \_ T. T. Silurian T. Point Lookout T. Elbert T. T. Montoya T. Mancos T. McCracken San Andres \_\_\_\_\_\_ T. Simpson \_\_\_\_\_\_ T. Ignacio Qtzte \_\_\_\_\_\_ T. T. McKee \_\_\_\_\_ Pase Greenhorn \_\_\_\_\_ T. Granite \_\_\_\_ T. Glorieta ... T. Ellenburger T. Dakota т. \_\_\_\_\_\_\_ T. Gr. Wash \_\_\_\_\_\_\_ T. Morrison \_\_\_\_\_\_ T. \_\_\_\_ T. Blinebry ..... \_\_\_\_\_T. Granite\_ \_\_\_\_\_Т. Todilto \_\_\_\_\_\_ T. \_\_\_\_ Drinkard T. Delaware Sand 1942 T. Entrada T. T. \_\_\_\_\_\_\_ T. Bone Springs \_\_\_\_\_\_ T. Wingste \_\_\_\_\_\_ T. \_\_\_\_\_ T. Wolfcamp\_\_\_\_\_T. \_\_\_\_\_\_ T. Chinle \_\_\_\_\_\_ T. \_\_\_\_ T. T. Penn. "A"\_\_\_\_\_\_T. T Cisco (Bough C) \_\_\_\_\_ T. \_\_

#### FORMATION RECORD (Attach additional sheets if necessary)

From	то	Thickness in Feet	Formation	From	То	Thickness in Feet	Formation
Ò	20	20	Surface sand Redbeds & John Wile Capitan Reef Delaware				
20	590	570	Redbeds & Jolanite				
590	1972	1352	CAPITAN REET				
1942	45/8	2576	DELAWARE				
			·				
							·
							i de septi

FLUI			<u> </u>	Date 2-7	1-74	Ticket Number	631049		1.00.0	
Samplet: hssure Recovery: Cu. Fr.	Gas <u>0</u>	)P.S.I.0	5. at Surface	Kind of Job OPE	N HOLE	Hallibur District	'LOVINGT	ГОМ	Location Twp Rn	
cc. Oil	$\frac{0}{0}$	<del></del>		Tester MR.	CASTELLOW	Witness	MR. HAN	NIFIN	ā	٦
cc. Mu	0			Drilling				· · · · · · · · · · · · · · · · · · ·	723	Lease Neme
! . /	quid_cc0		60 .=	Controctor CAC				DR S	-%	leme
Gravity Gas/Oil Ratio		/// @			UIPMENT	<u>&amp; HOLE</u> aware	DATA	<del>`</del>	_¦}	
G35/Oli Rafio	RESIS		LCU. ft./bbl.	Formation Teste		5' GL	<del></del>	F+	265	
				Net Productive				Ft	5	Ì
Recovery Water		@ •F		All Depths Meas	sured From ROI	ary Table				
Recovery Mud		9°F		Total Depth	<u>       450                             </u>	181	<del></del>	Ft		
Recovery Mud Fil	•			Main Hole/Casi	ng Size7_7	/8"	2 2511		-	
Mud Pit Sample		⊕ °F		Drill Collar Len Drill Pipe Lengt	gth <u>5#</u> L	71	. 2.25" . 3.340"		-	1 × 6
Mud Pit Sample F	<del></del>			Packer Depth(s)_	n327	7			-	Well No.
Mud Weight	10.3	vis	37cp	Depth Tester Vo				Ft	1	,
TYPE Cushion	AMOUNT	Ft.	Depth Back Pres. Valve		Surface Choke ]"		ttom noke	3/4"		
0 1 100	٠								>7	Test No.
Recovered 120	) Feat	t of mud			<del></del>			}	Area Area	1 ,
Recovered 840	Feet	t of mud and	loil							ļ
Recovered 219		t of oil and								
								lester	CARI	
Recovered 180	Feet	tof water		de 155,000 145,000	- 1.177			\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	UNES	
Recovered	Feel	t of								
Remarks	SEÉ PRO	DUCTION TE	ST-DATA S	SHEET						Tested Inten
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			esi⊋t giri						County	
Talinasimos	Gauge No. ]	636	Gauge No. 3	35	Gauge No.		_	r).;=	Xau3	
TEMPERATURE	1		Depth: 4	504 Ft.	Dapth:	Ft.		TIME		Lease On ear/Company Marie
	]		<del></del> -	4 Hour Clock		Hour Clock	1	M.A		-
Est. • <b>°F.</b>	Blanked Off No	0	Blanked Of !	<u>es</u>	Blanked Off	<del></del>	Opened Opened	6:35 P.M. A.M.		
Actual 88 °F.	D	curos	D	essures	Dear	sures	Bypass	7.M. 1-27 P.M.	!	
Actual 88 °F.	Field	Sure\$ Office	Field	Office	Field	Office	Reported	Computed	7	-
Initial Hydrostatic	2387	2359	2351	1 2334			Minutes	Minutes	J	1058
( !	138	161	126	154					Stote	1 9
Flow Final	321	331	276	327			20	22	- la	)/30K
Closed in	2] 55	2103	2091	2097		<del></del>	92	193		f.sro.
Flow Initial	321	329	1296	322			120	1 210		Vany
ÿ5 <u>rinal</u>	984	976	968	1 970	<del> </del>		120 180	118   179	一 <u>美</u>	l i
Closed in	2087	2091	2070	2082			100	11/3	<b>پ</b> ــــــــــــــــــــــــــــــــــــ	š
Flow Final		<del> </del>		<del>                                     </del>				<del>                                     </del>	-13	
Closed in			<del> </del>					1	7	
Final Hydrostatic	2387	2356	2346	2331					]	}
					1					1

	·				
Casing peris		Botton	n choke	3/4" s	Surf. temp•F Ticket No. 631049
Gos gravity		Oil gro	nvity		GOR
			SURING DEVICE L		1
Date	Choke	Surface	Gos	Liquid	
Tima c.m.	Size	Pressure psi	Rate MCF	Rate BPD	Remarks
06:35	1/16'	0			Opened tool with a fair blow
06:40	1/4"	8			Good blow
06:50	ti .	46			Gas at surface
06:55	11	60			Closed tool
08:25	11	0			Reopened tool with a good blow
08:45	i i	_50			Gas
08:55	11	_60			п
09:05	It	. 50			П
69:20	н	45			н
_09:35	11	_80			
09:50	11	_50			u
09:55	11	_105			Fluid at surface
09:57		-Choke-p	ugging		
0:00	3/6"	70			Oil-and-gas-
<del>10:</del> 05	11	100			н
10:10	11	60			n
10:15	11	90			, , ,
10:20	11	70		11/1	н
10:27	11	55			" Closed tool
13:27					Pulled tool loose
					Started out of hole
13:40			·		Dropped l날" flutted bar, unable to
		Circu	ating sub 90	) ·	shear pen, dropped 2 more 1 7/8" flutt
		ahove	tool		bars, unable to shear pen. Loaded dri

pipe with mud, started out of hole.

#### Liculu Production

B.T. Gauge	Numbers		1636	35	Ticket Number	•	631049	
Initial Hydro	ostatic		2359	2334	Elevation		3175	ft,
Final Hydro			2356	2331		1st Flow		bbls./day
	Initial	Time .	161	154	Indicated —	2nd Flow	, 355	bbls./day
1st Flow	Final	22	331	327	- Fronderion -	3rd Flow		bbis./day
	Closed In Pressura	93	2103	2097	Drill Coller Le	ngth	540	ft.
	Initial	Time	329	322	Drill Coller 1.0	).	2.25	in,
2nd Flow	Final	118	976	970	Drill Pipe Fact	or	0.01084	bbls./ft.
	Closed In Pressure	179	2091	2032	Hole Size		7.875	in,
	Initial	Time			Footage Tested	! TNet	12	<i>1</i> }.
3rd Flow	Final				Mud Weight		10.3	lbs./gat.
·····	Closed In Pressure				Viscosity, Oil o	r Water	2.7	cp
Extrapolated	ł	1st			Oil API Gravit	у	42.5	
Static Pressu		2nd	2120	2111	Water Specific	Gravity		
		3rd			Temperature	Est	_100	<u>•</u> F
		lst						
Slopa P/10		2nd	2003	1994				
		3rd '			<u> </u>			

Remarks: The calculated flow rate was established using 66 minutes of pressure change during the second flow period prior to the well flowing liquid to the surface.

The procedure was necessary since no flow rate was established during the test.

Sl	B.T. Gauge Depth	Nol 636 4499 '		8.T. Gauge No. 35 45041				
PRODUCT	EQUATION	FIRST	SECOND	THIRD	FIRST	SECOND	THIRD	UNITS
Production	$Q = \frac{1440 R}{t}$		355			355		b5ls. day
Transmissability	$\frac{Kh}{\mu} = \frac{162.6 \text{ Q}}{\text{m}}$		493.40			494.33		md. ft.
Indicated Flow Capacity	$Kh = \frac{Kh}{\mu} \mu$	_	1332.1			1334.7		md. ft.
Average Effective	$K = \frac{Kh}{h}$		-			_		md.
Permeability	$K_i = \frac{Kh}{h_i}$		111.016			111.226		md.
Damage Ratio	$DR = .183 \frac{P_s - P_f}{m}$		1.79			1.785		
Theoretical Potential w/Damage Removed	$Q_i = Q DR$		635			635		bbls.
Approx. Radius	b $\lesssim \sqrt{Kt}$ or $\sqrt{Kt_0}$		_			_		ft.
Investigation	$b_1 \subseteq \sqrt{K_1 t} \text{ or } \sqrt{K_1 \tau_0}$		124.7	· · · · · · · · · · · · · · · · · · ·		124.8		ft.
Potentiometric Surface \$	Pot. = $EI - GD + 2.319 Ps$	-	3592			3566		fr.

NOTICE: These calculations are based upon information furnished by you and taken from Drill Stem Test pressure charts, and are furnished you for your information. In furnishing such calculations and evaluations based thereon, Haliburton is merely expressing its opinion. You agree that Haliburton makes no werrantly express or implied as to the occuracy of such activations or opinions, and that Haliburton shall not be liable for any loss or damage, whether due to negligence or otherwise, in connection with such calculations and opinions.



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C		2078	.	.7151	998	.637]	2096	30	3791			
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		2035		. 2339	613	.1991	2059	306	.1397	216	.0650	
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	*	٠	3	.0735	391***	.0531	1945**	530	.0599	186*	.0130	
		976	000	.000	329	.000	331	000	.000	161	.000	
Time Defi	Time Defl. PSIG .000" Corr.	PSIG Temp. Corr.	Log 1.1 0	Time Deft.	PSIG Corr.	Time Deft.	PSIG Temp. Corr.	$\frac{1}{\theta}$	Time Defl.	PSIG Corr.	Time Dell. .000"	
Third Closed in Pressure	Third Flow Period	3,173	Second osed in Fres	C	ond Period	Second Flow Perio	ure	First osed in Press	CI	001	First Flow Fer	
	2 hour No.		6177	Clock No	141	1494	Depth			1636	cuge No.	ıā.

O' COPIES RECEIVED		•	Form C-103
DISTRIBUTION			Supersedes Old C-102 and C-103
S NTAFE	NEW WEXICO ON	L CONSERVATION COMMISSION	Effective 1-1-65
FILE		The same of the same of	
U.S.G.S.		We as	5a. Indicate Type of Lease
LAND OFFICE		FEB 2 8 1974	State Fee X
OPERATOR 3	<u> </u>		5. State Oil & Gas Lease No.
SUNDR DO NOT USE THIS FORM FOR PRO USE "APPLICAT	Y NOTICES AND REPOR	TS ON WELLS	
1. OIL X GAS WELL X	OTHER-		7. Unit Agreement Name
2. Name of Operator		<del>/</del>	8. Farm or Lease Name
D. L. Hannifin and	l Joe Don Cook 🗸		Merland
3. Address of Operator			9. Well No.
P.O. Box 945, Rosw	vell, New Mexico	88201	One
4. Location of Well  J 2	2030 Se	outh 1846 FEET FR	10. Field and Pool, or Wildcat Wildcat
UNIT LETTER,	FEET FROM THE	LINE AND FEET FR	
East Line, section	24	22 E 26 S	
		whether DF, RT, GR, etc.)	12. County
	3174	Gr	Eddy
16. Check	Appropriate Box To Indi	cate Nature of Notice, Report or C	Other Data
	NTENTION TO:		NT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANG	DON REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON		COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING	CHANGE PLANS	CASING TEST AND CEMENT JQB	
		OTHER	
OTHER			
17. Describe Proposed or Completed Opwork) SEE RULE 1103.	perations (Clearly state all perti	inent details, and give pertinent dates, includi	ng estimated date of starting any proposed
Crust 1 24 1074			
Spud - 1-24-1974			
85/8" casing - 20	1b per ft @375	ft with 250 sks	
	ement 2% calcium		
W.O.C. time	was approximate.	ly 89 hrs. Pressured c	asing to 685 PSI.
Held for 35	min. test ok	_	<del>-</del>
$5\frac{1}{2}$ " casing - 15.5	lbs per ft @4518	8 ft - see attached she	et
cement level	up to 1700 ft N	W.O.C. time was approxi	mately 156 hrs.
on the $5\frac{1}{2}$ " o	asing. Pressure	ed Casing to 740 PSI.	Held for 40 Min.
Test O.K.			
Perforated 4 shots	; per ft - / 445/	4-56, and 4458 - 64	
Washed 500 gallons	mud acid.		
			•
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
			•
	A Commence of the Commence of	· · · · · · · ·	
18. I hereby certify that the information	above is true and complete to t	he best of my knowledge and belief.	
SIGNED MALE SOF	TIT	LE Co- Spenden	DATE 4-19-19
	<del>7</del>		
1,1/1 4	nanott	ON AND SAS INSPECTOR	DATE FEB 28 1974
APPROVED BY WOLLD	TIT TIT	TE	DATE' LD NO IJIT
CONDITIONS OF APPROVAL, IF ANY	<b>'</b> :	·	

E MUINIGH E (MI) (MI)	P HALLIBURYON COMP	'A#Y		. P.O. DRAWE DUNCAN, OKLAH		· .		ICES	NO.	658	3712	
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* 4 2 7	fin YJA.	00	K	Cactus	Co.			ONE	CAN Y			
MARGE TO	ifin & J.L				Local	Cian		1	1.1	esia N	1/2 20	310
TPWAIL	0.1	Λ		11/11/	SHIPPEO V	. k		12	CATIO	3/9//	CODE	20
	60209.	LLOS	well	361460	GUST.INV.	PRQUISITION		3°	CATIO	H	COPE	ı
	. HANNIFI		J.0.	-	1   2	ORDER NO.			X MATE	RIAL		
J.P. ROSW	WHITE BL		XICO	88201	3 4	TOTAL ACID - 34	DAYB	WEL	L TYPE	- E.E.	2761	// coos
		177 63			NO, COPIES	74 y 2					oment	Cold
Cemen	Fred (	Qa.	sing	51/2"		TET NET	DU CH	IARGED AP	TER 60	r pollowing DAYS PROM Howed if p	a month, into pare of inv aid by due da	enest oice, ste,
		<del>†</del>	<i>y</i>			s	<del>,                                    </del>		tment		ducted if disco	
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30-015	·	Y C	,	Plug 51	,	1000	ea	5/5	in	101	11	00
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7-1	825-205	15		Shoe		1	ca	***	<del> </del>	-	40	50
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		E.	- SERVICE:CI	NARGE ON MATERIAL	S. MATURNED		FT.		<u> </u>			120
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s panronmanice	OF PERSONNEL SATE	** r f f	()	1/0	01				······	TAX		-
The state of the s	Customer or His i	32000	M	1000	Halilbur	ton Operator		·	-	TOTAL	1995	162
· .		.,			v currian Wi	<del></del>	. •	` <b>.</b> :				

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DISTRIBUTION		MEXICO OIL CONSER		N	Form C-101	•	•
SANTA FE	l bar	F1 - 3	* 1 175	1	Revised 1-1-		
U.S.G.S.		· ····································	73273		SA. Indicate	Type of Lease	٦
U.S.G.S. 2	,,,	3 m and ad. (	man tan Man	-0		& Gas Lease No.	
OPERATOR /		Amendeg	Derator Na			<u> </u>	
		े अंगिक से जिस्स की देशे संज्ञानिक से जिस्स की देशे	TO NOT FROM		77777		TTT
APPLICATION	N FOR PERMIT TO	DRILL, DEEPEN, C	OR PLUG BACK				
1a. Type of Work					7. Unit Agre	eement Name	
DRILL X		DEEPEN	PLUG	BACK			
b. Type of Well			SINGLE X MU	LTIPLE [	8. Form or 1 Mer 1		
OIL X GAS WELL 2. Name of Operator	OTHER		ZONE	ZONE ZONE	9. Well No.		
D. L. Hannifin	& Joe Don C	ook			1		
3. Address of Operator P. O. Box 945	Poswell Ne	w Meyico 8	3201			at Delawar	e
		7777	COUR	.h	777777		7777
4. Location of Well UNIT LETTS	RLOC	ATED FE	EET FROM THE	LINE			
1870 FEET FROM	East LIN	24 E OF SEC. TV	22 2 RGE. 2	6 NMPM			
					12. County		1111
				77////	Eddy	UUI Am	7777
	<del>:////////////////////////////////////</del>		9. Proposed Depth	19A. Formation	777777	20, Rotary or C.T.	77777
			4550	Delaw		Rotary	
21. Lievations (Show whether DF,	RT, etc.) 21A. Kind	<del></del>	IB. Drilling Contractor			r. Date Work will sto	ırt
	Blan	ket	Cactus Drill	ing Co.	Feb.	1, 1974	
23.	Р	ROPOSED CASING AND	CEMENT PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	I SACKS OF	CEMENT	EST. TOP	
124"	8 5/8"	20	375	200		Surface	
7 7/8"	5½*	15.5	4550	500		Approx. 1	800
							1
G Ca a.a. ma a.i a.a.	. 11 %			1	مية المحية	1 	
Surface casing wi	.11 be set at	approx. 3/5	and dement	circuia	tea to	surrace	
W O C time will h	oe 18 hrs th	en blowout n	reventers wi	ill be i	nstall	ed and	
W O C CIMC WILL X	/C 10 1110. CI	d phonere up	1010110110 111		. IID Gall	oa ana	1
tested daily duri	ing drilling.						j
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					APPROVA	1 17 X 1 17%	
				E4		AS UNLESS	
						MMENCED,	
						•	
				EXPIRES		0-74	
IN ABOVE SDACE DESCRIBE DO	OPOSED PROGRAM: IF E	PROPOSAL IS TO DEEPEN OF	PING BACK GIVE DATA	ON PRESENT PRO	DUCTIVE ZON	F AND DROPOSED NEW	פא סטייר.
						AND THEY USED HEN	
I hereby certify that the information	n above is true and comp						
Signed 16. 1-		Title Operato	r		Date 12-	21-73	
(This space for S	State Usej.7						
11	a 6				กย	3 2 8 1973	
APPROVED BY	( Spesset	TITLE GAL 440 6	AS INSPECTOR		DATE		
CONDITIONS OF APPROVAL, IF	ANY:						
	8						

Coment must be circulated to surface behind 8 % casing

		_					_		· ·	
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DISTRIBUTION		NEW	MEXICO C	IL CONSE	RVATION CO	OMMISSION	1	Form C-101		
SANTA FE					I IIV	ED	,	Revised 1-1-6		
FILE //								r	Type of Lease	
U.S.G.S. ?				110	N 2 1 191	73		STATE	FEE X	
LAND OFFICE	_				والاختكار سنة الا	<i>{</i> ປ		.5. State Oil	& Gas Lease No.	
OPERATOR								,,,,,,,	············	~
ABBLICATIO	V FAD DE	DUT TO	0001							II.
APPLICATIO	N FUR PE	KMI IUI	DRILL, L	JEEPEN, (	UR PLUGE	BALK		7. Unit Agra	ement Name	77
								W ONIT HIGH	omoni idane	
b. Type of Well			DEEPEN			PLUG E	BACK 📗	3. Farm or L	ease Name	
OIL GAS WELL WELL	OTH				SINGLE X	MUL	TIPLE ZONE	Merla		
2. Name of Operator	0.71	<u> </u>			ZONE (AP)		ZONE LJ	9. Well No.	- i - i - i - i - i - i - i - i - i - i	
D. L. Hannifin									1	
3. Address of Operator						<del></del>		10. Field or	i Pool, or Wildcat	
P. O. Box 945,	Roswel	ll, New	, Mexi	co 882(	01			Wildca	it Delaware	
4. Location of Well	. J	LOC/	ATEO 200	4 5	EET FROM THE	South	LINE			11
										11.
AND 1870 FEET FROM	THE East	LINE	E OF SEC.	24 T	wp. 22	RGE. 26	NMPM	777777		77,
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21. Elevations (Show whether DF,		21A. Kind			4550		Delawa		Rotary	
21. Elevations (Show whether Dr.	A1, etc.)	One-W		- 1	1B. Drilling C		Co		. Date Work will start	
23.		One-11	ISTT		Lactus !	DI 1211	ng co.	res.	1, 1974	
2.0.		PF	ROPOSED (	CASING AND	CEMENT PR	OGRAM				
SIZE OF HOLE	SIZE OF	CASING	WEIGHT	PER FOOT	SETTING	DEPTH	SACKS OF	CEMENT	EST. TOP	
12\z''	8 5,		20		37		· i · · · · · · · · · · · · · · · · · ·	200	Surface	
7 7/8"	51/5"		15.	····	4550		<del></del>	500	Approx. 180	n
						41,00				
		İ					l			
Surface casing	will be	e set a	it app	rox. 37	75 and (	cement	circu!	lated t	o surface	
W O C time will	be 18	hrs. t	hen b	lowout	prevent	ters w	ill be	instal	led and	
					_					
tested daily du	ring da	cilling	Ş							
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								FXERIZO :		
N ABOVE SPACE DESCRIBE PR IVE ZONE. GIVE BLOWOUT PREVENT	OPOSED PR	OGRAM: IF F	ROPOSAL IS	TO DEEPEN OF	R PLUG BACK, G	GIVE DATA ON	PRESENT PRO	DUCTIVE ZONE	AND PROPOSED NEW PRO	buc
		<del></del>	<del></del>	· · · · · · · · · · · · · · · · · · ·						
hereby certify that the information	on above is tr	ue and comp!	lete to the b	sest of my kn	iowledge and t	bellef.				
simes Dela Cota	بر: مروسيسيبيد. در: مروسيسيبيد، پ	~	Title	11-3		Cpe.		Date //	-21-73	
rights			4 00 00					ruse ( )		==
(This space for	State Usg)									
11/2	Han	0011		3/2 JM0 1	as insing:	474).G		nF	C 1 0 1973	
APPROVED BY CUCLIA	شيريت موجنب	<u>uer</u>	TITLE	THE REPORT OF THE SERVICES OF THE SERVICES	n9 / 1945 紹刊.	3 V P F		DATE	~ I U 13/3	

Coment must be disculated to surface behind 3 5 " easing

## TW MEXICO OIL CONSERVATION COMM ON WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-55

All distances must be from the outer boundaries of the Section. Operator Lease Well No. L. Hannifin Merland Township 22 S Range 26 E Unit Letter County Eddy Actual Footage Location of Well: 1870 2004 South east feet from the line and feet from the line Ground Level Elev. Producing Formation Dedicated Acreage: Deleware Wildcat 40 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working 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? 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. CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Name Position Company Date 11-21-73 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. Nov. 9, 1973 Registered Professional/Engineer and/or Land Surveyor N. M. 220 Certificate Na. 1980 2310 1500 1000 50 ọ

BLENDEN, McCORMICK AND NORRID, P. A.

DICK A. BLENDEN MICHAEL F. McCORMICK BUFORD L. NORRID ATTORNEYS AT LAW
P. O. DRAWER 370
211 WEST MERMOD
CABLSBAD, NEW MEXICO 88220

TELEPHONE 887-2802 AREA CODE 505

IN REPLY REFER To:

December 7, 1973

RECEIVED

Mr. W. A. Gressett, Supervisor & Oil & Gas Inspector
Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

DEC 1 0 1973

O. C. C. ARTESIA, OFFICE

Dear Mr. Gressett:

This letter is to inform you that the City of Carlsbad has no objection to the following proposed location of a Hannifin well in the Sec. 24, T 22 S, R 26 E, N. M. P. M.:

A well site lying 2,004' from the South line and 1,870' from the East line of said section.

I am informed that that location will not interfere with the operations of the Cavern City Air Terminal. As long as the well is drilled at the above location, the City of Carlsbad has no objection to drilling permits being issued.

Very truly yours,

MICHAEL F. McCORMICK

City Attorney

MFMcC:br

Memo
W.A. GRESSETT SUPER & OIL & GAS INSP.

To pan putter

7-8-74 1:20 PM.

4-8-74 1:20 PM.

The 4198 out of horizon for your hist

STAT'N NO. Declination EASTMAN WHIPSTOCK, INC. 3999 3800 MEASURED DEPTH 199 COURSE DRIFT VERTICAL ANGLE DEPTH 198 96 3997 25 ENGINEER TYPE OF SURVEY LEASE \_\_\_ COMPANY TRUE VERTICAL DEPTH mulai o VERTICAL SECTION DIFF. DEVIAT'N DIRECTION 3 46 N 60 L WELL NO. 4/ OBJECTIVE COMPUTATIONS N 60 C 11/31/2 DIRECT'I FIELD NORTH SOUTH EAST COORDINATE DIFFERENCES 11/1 ئن 02 WEST DATE\_ DISTRICT SHEET JOB NO. 84 NORTH RECTANGULAR COORDINATES SOUTH 9 3 EAST 5.5 WEST

G-315-R2 Calculation Sheet

HIANG HLASG 12.50 12.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 13.50 200 MEASURED 3600 COURSE 2000 DRIFT DEFINITION | ENGINEER YEALDS SO EALL TEASE. COMEANIX..... merland . VERTICAL SECTIV COURSE NAVIASO \_COMPUTATIONS. WELL NO. \* / OBJECTVE DIRECTION N 625 186 49 33 12 43 111 22 29 74 36 NOTE: COORDINATE DIFFERENCES LUEL SHEEL DISTRICT HUNON RECTAMOULAR GOORDINATES COUTH 30 SACT 17.17.0

Howard och

#### FIELD TRIP REPORT

		DA	TE 1-28-74
Name of Employee_	Gressett	& Mermis	
Time of Departure	9:10 A. M.	Time of Return	11:30 A. M.
: Miles Travelled	78		

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1, 2004' FSL & 1870' FEL Sec. 24-22-26 Wildcat Delaware test. They were TD 400' 8-5/8"-396-250 sacks Class C 2% CC circulated to surface. The rig is still over the hole: however, the derrick was laid down and the mud pump, light plant and water tank had been moved to the other side of the location. They were in the process of nippling up when they got orders to shut down. The blowout preventers are Shaffer 10" Series 900 hydrualic and manual operated, not completely hooked up yet. The derrick is 96' high on about a 10' substructure.

This well is 141' + from Grace Atlantic, (I didn't get under the substructure to measure.) The mud pump and light plant were about 90' from Grace Well and the water tank was some closer, and then the road.

The crew was there working out around the mud pump and we met the pusher Mr. J. E. Prichard on the way out.

Employee's Signature

#### FIELD TRIP REPORT

		DATE 2-4-74	
Name of Employee	W. A. Gressett		<u></u>
Time of Departure_	10:00 A. M.	Time of Return 1:00 P. M.	
Miles Travelled	77		

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26

They were drilling @ 2500' (approximately 15' per hour) w/10# brine water and were loosing some fluid. Will mud up @ 4000'. They made a trip for a new bit yesterday and the blowout preventers were checked at that time. Blowout preventers are hydraulic on both blinds and pipe rams manual on pipe rams only. Kill line connected up and have 3½" choke line w/2-2" lines.

The gerinomo line is hooked up.

Flow line from Grace Atlantic not flagged, see picture #1.
Picture #2 taken standing at wellhead of Grace Atlantic #1.
" #3 " up the road approximately 200 north & some east of Grace Well.

They are running survey every 200' & @ 2300 they were approximately 40' N & 20 E of surface location.

Employee's Signature

#### FIELD TRIP REPORT

		DATE (2-5-74			
Name of Employee_	W. A. Gressett				
Time of Departure_	11:00 A. M.	Time of Return	3:00 P. M.		
Miles Travelled	93				

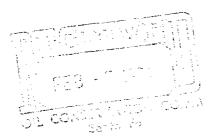
In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

Drove through Empire Abo Pool Atlantic is laying their gas injection lines and getting the compressors set.

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26 drilling @ 2959 at approximately 20 feet per hour, still losing some drilling fluid, hole still going NE. They were making a new road to come in front of the rig and had a 4 man crew building a fence around the rig and well, according to the driller, they will run a cross fence between rig and well.

Last night, the Graces had a night watchman at the well.



Employee's Signature

#### FIELD TRIP REPORT

		DA	TE 2-	2-6-74		
Name of Employee	W. A, Gressett					
Time of Departure_	12:30 P. M.	Time of Return	2:30	P. M.		
Miles Travelled	77					

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26

They were drilling @ 3442 at 1:20 P. M. hole still going NE. Will run survey @ approximately 3450, had started to mud up. They have built a fence around both well and rig and have a Burns Detective Guard (Badge #37306) Mr. Huntley at the entrance stopping cars and giving them a slip of paper stating ONLY AUTHORIZED VEHICLES AND PERSONNEL PERMITTED SUBJECT TO LIABILITY FOR ANY AND ALL DAMAGES OCCURRING HEREIN.

Employee's Signature

#### FIELD TRIP REPORT

		DA	TE	2-7-74	
Name of Employee_	W. A. Gressett				
Time of Departure_	8:25 A. M.	Time of Return	4 <b>:</b> 35	Р. М.	
Miles Travelled	77				

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

To meet Mr. West & Inexco Personnel and check location in W/2 of Sec. 26-24S-23E for Topography. Met Mr. Terry Ellstrom, Inexco Mr. Red Perry, New Mexico Construction and the surveyor to check topography in Sec. 26-24S-23E. This is in rough country in Dark Canyon. A location could be made 2490 FSL & 2565 FEL which would require about 15 feet of cut and fill. Then we found a good location 2260 FSL & 760 FWL. (Most locations in this area will be non-standard.)

Then to check D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26. The gate is now closed, however, the guard gives you a little slip and opens the gate.

@ 3:30 P. M. they were drilling @ 3984 still going NE

@ 3800 N-31E 10 Kelly cock has not been installed.

Employee's Signature

### FIELD TRIP REPORT

DATE 2/8/74	
Name of Employee W. A. Gressett	
Time of Departure 12:15 p.m. Time of Return 4:00 p.m.	
Miles Travelled 78	
In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.	
Field Inspection	
Hannifin & Cook, Merland #1-J, 24-22-26	
At 1:20 p.m. TD 4198' out of hole for new bit.	
Wash the Blowout preventer out and checked them working fine.	
Kelly Cock has been installed.	
I left location at 3:00 p.m. they were going back in hole	
should be on bottom around 3:30 - 3:45 p.m.	

Survey at 3999' N-60E 10

Employee's Signature District #II

#### FIELD TRIP REPORT

		DATE	2-9	- TO-	-74 
Name of Employee_	W. A. Gressett				
Time of Departure	12:15 A. M. 2-9-74 Time of Return	11:0	00 A.	М.	2-10-74
Miles Travelled	165 - 2 trips				

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26, out @ 12:15 A. M. 2-9-74, on location @ 1:10 A. M. drilling @ 4288 (not going fast as tool pusher had thought it would) @ 2:20 A. M drilling @ 4295. I left and came home-in @ 3:15 A. M. back out @ 8:45 A. M. on location @ 9:35 A. M. drilling @ 4368, @ 12:55 P. M. drilling @ 4403,@ 1:15 P. M. TD 4408, picked up to 4368 and ran survey E - 10 back to drilling @ 2:00 P. M., @ 2:25 P. M. drilling @ 4416, @ 3:50 P. M. drilling @ 4426, @ 4:50 P. M. TD 4437 making connection and checking blowout preventers - @ 8:00 P. M. drilling @ 4441, @ 9:00 P. M. drilling @ 4453, 10:00 P. M. drilling @ 4463 mud weight 10.2# vis. 37 water loss 7, drilled pay zone from 4467 to 4478 from 10:25 P. M. to 11:00 P. M. nothing happened. @ 12:40 A.M. 2-10-74 drilling @ 4489,@ 2:45 A. M. drilling @ 4501,@ 4:00 A. M. TD 4508, will circulate till 7:00 A. M. Start out of hole @ 7:10 A.M. @ 9:45 A. M. out of hole with bit-hole full of mud - looks ok. Dresser Atlas rigging up to run logs. Left location @ 10:00 A. M. In addition to the Burns Guard at the gate to this well, they had another one running around to several wells in the area (the Grace Atlantic included) checking pressures every hour. 1:30 P. M. 2-10-74 just talked to Mr. Lamb and they are taking a drill stem test on the well now.

Employee's Signature

#### FIELD TRIP REPORT

		DATE 2-12-74			
Name of Employee_	W. A. Gressett				
Time of Departure	9:30 A. M.	Time of Return 4:00 P. M.			
Miles Travelled	145				

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

Hannifin & Cook Merland #1-J, 24-22-26 on location @ 10:30 A. M. TD 4518 just started running  $5\frac{1}{2}$ " casing.

Dst 4448-4508 tool opened with fair blow increasing to good blow gas to surface 15" fluid in 90" oil in 95" loaded drill pipe with mud after failing to reverse out, recovered 1200' mud 840' mud & oil 2197' oil & gas 180' salt water IHP 2351  $1\frac{1}{2}$ ' Isip 2096 fp 126-296 3' fsip 2070 & building. (Drill pipe unloaded on the way out of the hole). Then they went back in and drilled 10 more feet of hole circulated 2 hrs., came out to run  $5\frac{1}{2}$ " casing.

Belco Petr. Corp. Hudson Federal #1- NW/4 of 1-23-30 found new pad approximately 300' E-W X 320' N-S with cellar dug approximately in center E-W and 75' from north side. There is a power line cutting across the SW/ corner of the pad, approximately 230' from cellar to power lines due south.

Went back by Hannifin & Cook Merland #1-J, 24-22-26 on location @ 2:10 P. M.  $5\frac{1}{2}$ " casing on bottom @ 2:25, put head on & circulated till 3:00 P. M. Prep. to cement with 450 sacks. I left @ 3:00 P. M.

Employee's Signature

ONLY AUTHORIZED VEHICLES AND PERSONNEL PERMITTED SUBJECT TO LIABILITY FOR ANY AND ALL DAMAGES OCCURRING HEREIN.

### FIELD TRIP REPORT

	DA	TE 2/8//4
Name of Employee W. A. Gressett		
Time of Departure 12:15 p.m.	Time of Return	4:00 p.m.
Miles Travelled 78		
In the space below please indicate plisting wells or leases visited.	ourpose of trip a	and duties performed,
Field Inspection		
Hannifin & Cook, Merland #1-J, 24	-22-26	
At 1:20 p.m. TD 4198' out of hole	for new bit.	
Wash the Blowout preventer out and	checked them	working fine.
Kelly Cock has been installed.		
I left location at 3:00 p.m. they	were going ba	ck in hole
should be on bottom around 3:30 -	3:45 p.m.	

Survey at 3999' N-60E 1<sup>O</sup>

Employee's Signature
District #II

#### FIELD TRIP REPORT

		DATE	1-20-74
Name of Employee_	Gressett &	Mermis	
Time of Departure	9:10 A. M.	Time of Return	11:30 A. M.
Miles Travelled	78		

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1, 2004' FSL & 1870' FEL Sec. 24-22-26 Wildcat Delaware test. They were TD 400' 8-5/8"-396-250 sacks Class C 2% CC circulated to surface. The rig is still over the hole; however, the derrick was laid down and the mud pump, light plant and water tank had been moved to the other side of the location. They were in the process of nippling up when they got orders to shut down. The blowout preventers are Shaffer 10" Series 900 hydrualic and manual operated, not completely hooked up yet. The derrick is 96' high on about a 10' substructure.

This well is 141' + from Grace Atlantic, (I didn't get under the substructure to measure.) The mud pump and light plant were about 90' from Grace Well and the water tank was some closer, and then the road.

The crew was there working out around the mud pump and we met the pusher Mr. J. E. Prichard on the way out.

WHO SEE TO COMM

Employee's Signature

#### FIELD TRIP REPORT

		DAT	E	2-4-74
Name of Employee	W. A. Gressett		·	
Time of Departure_	10:00 A. M.	Time of Return	1:00	P. M.
Miles Travelled	77			

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26

They were drilling @ 2500' (approximately 15' per hour) w/10# brine water and were loosing some fluid. Will mud up @ 4000'. They made a trip for a new bit yesterday and the blowout preventers were checked at that time. Blowout preventers are hydraulic on both blinds and pipe rams manual on pipe rams only. Kill line connected up and have 3½" choke line w/2-2" lines.

The gerinomo line is hooked up.

Flow line from Grace Atlantic not flagged, see picture #1.

Picture #2 taken standing at wellhead of Grace Atlantic #1.

" #3 " up the road approximately 200 north & some east of Grace Well.

They are running survey every 200' & @ 2300 they were approximately 40' N & 20 E of surface location.

Employee's Signature

#### FIELD TRIP REPORT

		DATE	2-9-	-10-/4
Name of Employee_	W. A. Gressett			
Time of Departure_	12:15 A. M. 2-9-74 Time of	Return 11	:00 A.	M. 2-10-74
Miles Travelled	165 - 2 trips			

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26, out @ 12:15 A. M. 2-9-74, on location @ 1:10 A. M. drilling @ 4288 (not going fast as tool pusher had thought it would) @ 2:20 A. M drilling @ 4295. I left and came home-in @ 3:15 A. M. back out @ 8:45 A. M. on location @ 9:35 A. M. drilling @ 4368, @ 12:55 P. M. drilling @ 4403,@ 1:15 P. M. TD 4408, picked up to 4368 and ran survey E - 10 back to drilling @ 2:00 P. M., @ 2:25 P. M. drilling @ 4416, @ 3:50 P. M. drilling @ 4426, @ 4:50 P. M. TD 4437 making connection and checking blowout preventers - @ 8:00 P. M. drilling @ 4441, @ 9:00 P. M. drilling @ 4453, 10:00 P. M. drilling @ 4463 mud weight 10.2# vis. 37 water loss 7, drilled pay zone from 4467 to 4478 from 10:25 P. M. to 11:00 P. M. nothing happened. @ 12:40 A.M. 2-10-74 drilling @ 4489,@ 2:45 A. M. drilling @ 4501,@ 4:00 A. M. TD 4508, will circulate till 7:00 A. M. Start out of hole @ 7:10 A.M. @ 9:45 A. M. out of hole with bit-hole full of mud - looks ok. Dresser Atlas rigging up to run logs. Left location @ 10:00 A. M. In addition to the Burns Guard at the gate to this well, they had another one running around to several wells in the area (the Grace Atlantic included) checking pressures every hour. 1:30 P. M. 2-10-74 just talked to Mr. Lamb and they are taking a drill stem test on the well now.

Employee's Signature

#### FIELD TRIP REPORT

		DATE 2-12-74		
Name of Employee_	W. A. Gressett		•	
Time of Departure	9:30 A. M.	Time of Return 4:00 P. M.	•	
Miles Travelled	145		•	

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

Hannifin & Cook Merland #1-J, 24-22-26 on location @ 10:30 A. M. TD 4518 just started running  $5\frac{1}{2}$ " casing.

Dst 4448-4508 tool opened with fair blow increasing to good blow gas to surface 15" fluid in 90" oil in 95" loaded drill pipe with mud after failing to reverse out, recovered 1200' mud 840' mud & oil 2197' oil & gas 180' salt water IHP 2351  $1\frac{1}{2}$ ' Isip 2096 fp 126-296 3' fsip 2070 & building. (Drill pipe unloaded on the way out of the hole). Then they went back in and drilled 10 more feet of hole circulated 2 hrs., came out to run  $5\frac{1}{2}$ " casing.

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Employee's Signature

#### FIELD TRIP REPORT

		DA	TE 2-0-74		
Name of Employee	W. A. Gressett				
Time of Departure_	12:30 P. M.	Time of Return	2:30 P. M.		
Miles Travelled	77				

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26

They were drilling @ 3442 at 1:20 P. M. hole still going NE. Will run survey @ approximately 3450, had started to mud up. They have built a fence around both well and rig and have a Burns Detective Guard (Badge #37306) Mr. Huntley at the entrance stopping cars and giving them a slip of paper stating ONLY AUTHORIZED VEHICLES AND PERSONNEL PERMITTED SUBJECT TO LIABILITY FOR ANY AND ALL DAMAGES OCCURRING HEREIN.

Employee's Signature

#### FIELD TRIP REPORT

		DAT	E	2-7-74	
Name of Employee_	W. A. Gressett				
Time of Departure_	8:25 A. M.	Time of Return	4:35	Р. М.	
Miles Travelled	77				

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

#### Field Inspection:

To meet Mr. West & Inexco Personnel and check location in W/2 of Sec. 26-24S-23E for Topography. Met Mr. Terry Ellstrom, Inexco Mr. Red Perry, New Mexico Construction and the surveyor to check topography in Sec. 26-24S-23E. This is in rough country in Dark Canyon. A location could be made 2490 FSL & 2565 FEL which would require about 15 feet of cut and fill. Then we found a good location 2260 FSL & 760 FWL. (Most locations in this area will be non-standard.)

Then to check D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26. The gate is now closed, however, the guard givesyou a little slip and opens the gate.

@ 3:30 P. M. they were drilling @ 3984 still going NE @ 3800 N-31E 10 Kelly cock has not been installed.

Employee's Signature
District #II

#### FIELD TRIP REPORT

		DATE 2-5-74		
Name of Employee	W. A. Gressett			
Time of Departure_	11:00 A. M.	Time of Return	3:00 P. M.	
Miles Travelled	93			

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

Field Inspection:

Drove through Empire Abo Pool Atlantic is laying their gas injection lines and getting the compressors set.

D. L. Hannifin & Joe Don Cook Merland #1-J, 24-22-26 drilling @ 2959 at approximately 20 feet per hour, still losing some drilling fluid, hole still going NE. They were making a new road to come in front of the rig and had a 4 man crew building a fence around the rig and well, according to the driller, they will run a cross fence between rig and well.

Last night, the Graces had a night watchman at the well.

TEB - LONG COMPA

Employee's Signature