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December 10, 1984

HAND-DELIVERED

Mr. Richard L. Stamets
Director
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Stamets:

This letter will constitute Damson Oil Company's applications for exemption from the New Mexico Natural Gas Pricing Act for two infill wells in San Juan County, New Mexico in which Damson owns an interest, the Mexico Federal "K" 1E and the McLeod 2E. Getty Oil Company is the operator of the Mexico well and the McLeod well is operated by Mesa. Since neither of these two operators' share of the production from these wells is sold on the intrastate market, it is our understanding that they have not and do not intend to file applications for exemption on these two wells. Thus, on behalf of Damson, we are hereby filing such applications with the Commission.

Pursuant to Commission Order No. R-5436, we are attaching a copy of the completion report for each well and a 9-section plat showing each infill well and the location and ownership of all offsetting wells. Getty and Mesa, as operators of these wells, are in the process of providing us with certificates stating that nothing has been done to restrict the ability of the original well to produce into the pipeline. We will forward such certificates to the Commission as soon as we receive them.

We request that the Commission set these applications for hearing on the next available docket.

Very truly yours,

Karen Aubrey

Karen Aubrey
KA:mh
Enc.
cc: Paul Swearingen, Esq. (w/enc.)

damson
OIL CORPORATION

December 10, 1984

Case 8468

SPECIAL RULES AND REGULATIONS
NATURAL GAS PRICING ACT SECTION 6
ADMINISTRATIVE EXEMPTION PROCEDURE

Rule 1

(B) Damson Oil Corporation's Mexico Federal "K" 1E is an infill well in the Dakota zone as per Commission Order R-1670-V

Rule 5

Damson Oil Corporation's plat showing proration units in Section 8-T28N-R10W and all offset units.

Rule 7

R-1670-V for Dakota zones.

Rule 8

Copy of Completion Report attached.

Damson Oil Corporation would like to have this exemption effective as of the date of first production from the well, 10-16-79.

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

James R. Pouncey
NAME

James R. Pouncey
SIGNATURE

Manager of Outside Operated Properties
TITLE

December 10, 1984
DATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: SF-047039 B
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
7. UNIT AGREEMENT NAME: N/A
8. FARM OR LEASE NAME: Mexico-Federal "K"
9. WELL NO.: 1-E
10. FIELD AND POOL, OR WILDCAT: Basin Dakota
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: 8-T28N-R10W

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ Other
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other

2. NAME OF OPERATOR: Getty Oil Company
3. ADDRESS OF OPERATOR: Box 3360, Casper, Wyoming 82602
4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface: 1190' FSL & 2020' FWL
At top prod. interval reported below: same
At total depth: same

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
--	--	San Juan	N.M.

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
9-30-79	10-9-79	11-2-79	5709' GR, 5719' KB	--

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
6500'	6456'	N/A	→	0-6500'	N/A

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 6278'-6418' - Dakota

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: Dual Induction; Comp. form. Density.

27. WAS WELL CORED: No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8" OD	24	313'	12 1/4"	250 sks	none
5 1/2"	14 & 15.5	6500'	7 7/8"	1370 sks	none

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6331'	-

31. PERFORATION RECORD (*Interval, size and number*)
6278-84' - 6 shots
6338-80' - 42 shots
6406-18' - 12 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6278-6418'	120,000 gals, 1% KCL in
	120,000 # 20/40 sand.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
10-26-79	flowing	shut-in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
11-2-79	3	3/4"	→	1	355	0	1000:1

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)
201	773	→	4	4150	0	60

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*): Shut in for pipeline connection

TEST WITNESSED BY: Mark Kramer

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED D E Crabb TITLE Area Superintendent DATE 11-16-79

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: *"Sacks Cement":* Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Dakota	6257'	6422'	

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Ojo Alamo	697'	
Kirkland	837'	
Fruitland	1667'	
Pictured Cliffs	1846'	
Lewis	1917'	
Chacra	2841'	
Mesa Verde	3432'	
Mancos	4405'	
Gallup	5392'	
Greenhorn	6156'	
Dakota	6257'	

U.S. GOVERNMENT PRINTING OFFICE: 1963 O 683636

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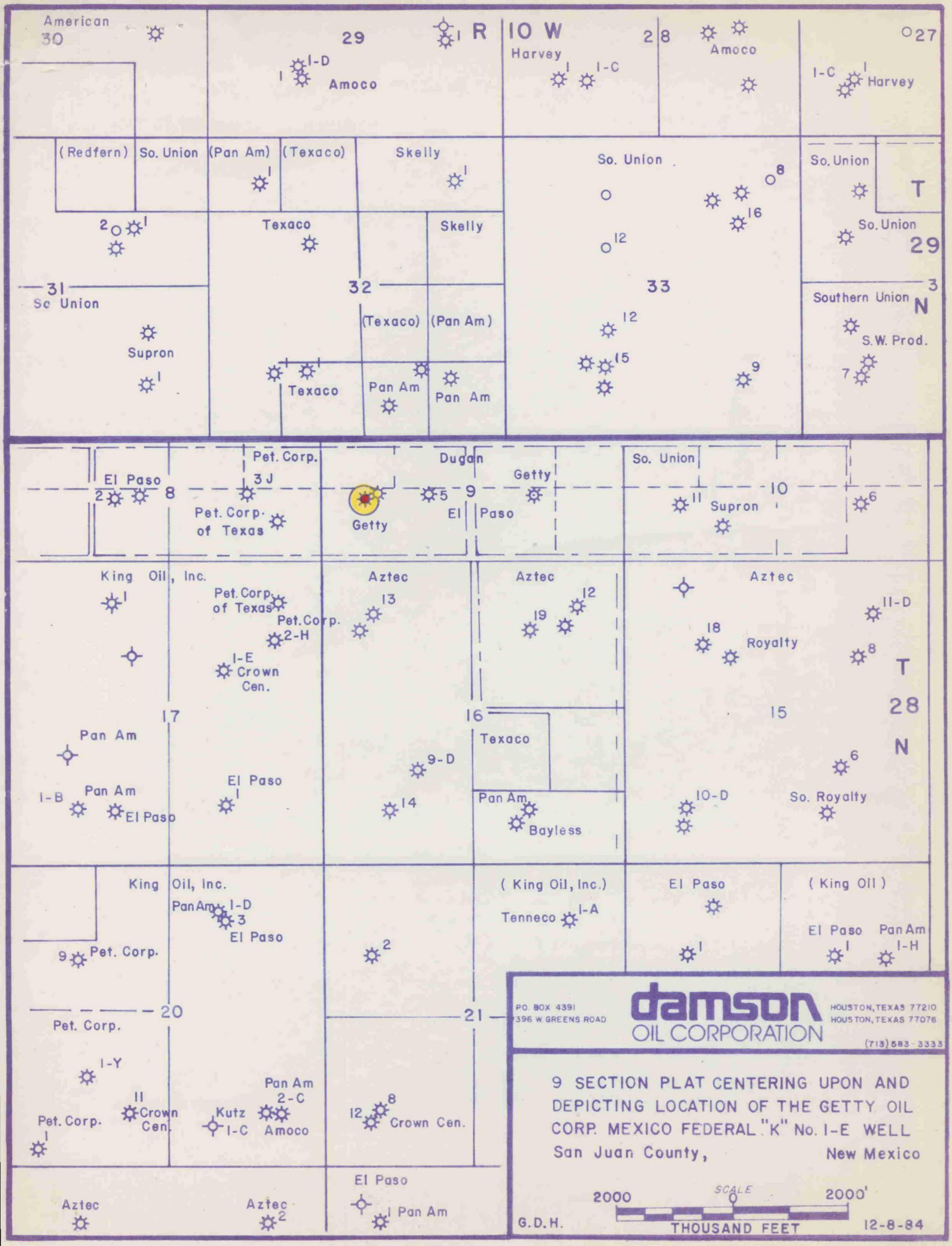

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HOUSTON, TEXAS 77210
HOUSTON, TEXAS 77076
(713) 583-3333

damson
OIL CORPORATION

9 SECTION PLAT CENTERING UPON AND DEPICTING LOCATION OF THE GETTY OIL CORP. MEXICO FEDERAL "K" No. 1-E WELL
San Juan County, New Mexico

SCALE
2000 0 2000'
THOUSAND FEET

G.D.H. 12-8-84