

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

4TP EXHIBIT NO. 1

CASE NO. 9402

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

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
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U.S.G.S.	
LAND OFFICE	
OPERATOR	

3a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.
E-588-2

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 GAS WELL OTHER
2. Name of Operator: Union Texas Petroleum Corporation
3. Address of Operator: 375 US Highway 64, Farmington, NM 87401
4. Location of well: UNIT LETTER G 1917 FEET FROM THE North LINE AND 1776 FEET FROM THE East LINE, SECTION 16 TOWNSHIP 28N RANGE 9W NMPM.
7. Unit Agreement Name: N/A
8. Farm or Lease Name: State Com
9. Well No.: 1
10. Field and Pool, or Withacq: Basin Dakota
15. Elevation (Show whether DF, RT, GR, etc.): 6408 GL
12. County: [Hatched]

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <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.

- MIRU.
- Set cement retainer at 6045' KB. Pump 100 sxs C1 "B" cement below retainer. Sting out and dump 2 sxs C1 "B" on retainer.
- Shoot 2 - 0.32" holes at 4330'. Squeeze with 25 sxs C1 "B" cement. Spot 10 sxs in casing at 4330'.
- Shoot 2 - 0.32" holes at 3730'. Squeeze with 25 sxs C1 "B" cement. Spot 10 sxs in casing at 3730'.
- Spot 10 sxs C1 "B" cement at 2750'.
- Shoot 2 - 0.32" holes at 330'. Would not circulate. Trip in hole to 330'. Cement to surface with 25 sxs C1 "B". Squeeze 10 sxs C1 "B" down Bradenhead.
- Shut in with 200 psi left on Bradenhead.
- Install dry hole marker.
- Site to be reclaimed in Fall of 1987.

OCT 30 1986
OIL CONSERV. DIV.
DIST. 3

8. I hereby certify that the information above is true and complete to the best of my knowledge and belief.
ISSUED Robert C. Frank TITLE Permit Coordinator DATE 10/24/86

APPROVED BY [Signature] TITLE DISTRICT # 3 DATE OCT 30 1986

CONDITIONS OF APPROVAL, IF ANY:

UNIT 1 TEXAS PETROLEUM DRILLING REPORT

P & A

J. Freeman

LEASE AND WELL NUMBER State Com # 1				WELL NO.	REPORT NO. 2	DAYS FROM START	DATE 10-10-86
DEPTH	FT DRILL	HRS DRILL	MUD WT	HOLE SIZE	FORMATION DESCRIPTION	DAILY COST 7400	CUM COST 13,800
LAST CASING O.D. DEPTH		SHOE TEST PPG	DRG CONTR AND RIG NO. Big A Well Serv.		PROJECTED TO	WELL SITE SUPERVISOR P. Hoefler	

BITS, WEIGHT, SPEED

BIT NO	DEPTH IN	SIZE	MFR AND TYPE	SERIAL NO	FEET DRILL	HOURS DRILL	NOZZLES - 32nds			ROTARY RPM	BIT WEIGHT	BIT COND		
							1	2	3			T	B	G

MUD PROPERTIES, MATERIALS ADDED, COSTS

MUD WT	V/S	API WL	PH	PV	YP	CAKE - 32nds	% SOLIDS	% OIL	% SAND
LCM # UBL	GELS	HP-HT WL	PPM CL				TYPE MUD		
MATERIALS & QUANTITIES ADDED LAST 24 HOURS							DAILY MUD COST	CUM MUD COST	

HYDRAULICS

PUMP NO	STROKE	SPM	LINER SIZE	GPM	JET VEL	MIN ANNULAR VEL		BIT HYD HORSEPOWER	STANDPIPE PRESSURE
						COLLAPS	DRILL PIPE		

1 4 PUMP RATE - _____ PSI @ _____ SPM 1 2 PUMP RATE - _____ PSI @ _____ SPM 3 4 PUMP RATE - _____ PSI @ _____ SPM

DRILLING INFORMATION

PICKUP WEIGHT	ROTATING WEIGHT	SLACKOFF WEIGHT	TORQUE	CONN TRIP FILL	LOSS RETURN RATE	24 HR MUD COST
BACKGROUND GAS	CONCENTR	TRIP GAS	SHALE DENSITY	PIPE PRESSURE	FORMATION NAMES & TOPS	
DRILLING BREAK	FORMATION TYPE	RIP BEFORE	RIP DURING	MAX GAS	CHLORIDE AHEAD	

SUMMARY OF OPERATIONS

P & A Well

OPERATIONS SEQUENCE

7:00 A.M.
 Rig up Blue Jet and shoot two holes at 4330'
 Trip in with 2 3/8" tubing to 4330 and spot 35 sks Class B cement. Pull up to 3700 and pump 5 BBls of cement into holes at 1/2 BPM at 800 psi.
 Rig up Blue Jet and shoot two holes at 3730' with thru tubing gun. Spot 35 sks Cl. cement and pull up to 2750. Fill hole and pump 5 BBls cement into holes 1/4 BPM at 900 psi. Spot 10 sks. Cl. cement at 2750 and
 Trip out of hole with tubing, shoot a nozzle at 320' pump down casing and attempted to circ. out braden head. Would not circ. Run 2 3/8" tubing in to 330' and circ cement to surface. Pull out of hole and fill with cement. Pumped 10 sks. down braden head and shot in with 300 psi. Install dry hole marker and rig down. Release rig to McCord 14E at 3:00 P.M.

ILLEGIBLE

UN. N TEXAS PETROLEUM DRILLING REPORT

P & A

J. Freeman

LEASE AND WELL NUMBER <i>State Com #1</i>		WELL NO.		REPORT NO.		DAYS FROM SPUD		DATE <i>10-9-86</i>	
DEPTH		FT DRLD		MUD WT		HOLE SIZE		FORMATION DESCRIPTION	
DAILY COST <i>5400</i>		CUM COST <i>5400</i>		LAST CASING O.D. DEPTH		SHOE TEST PPG		DRG CONTR AND HIG NO <i>Big A Well Service</i>	
PROJECTED TO		WELL SITE SUPERVISOR <i>D. Hoefler</i>							

BITS, WEIGHT, SPEED

BIT NO	DEPTH IN	SIZE	MFR AND TYPE	SERIAL NO	FEET DRLD	HOURS DRLD	NOZZLES - 32nds			ROTARY RPM	BIT WEIGHT	BIT COND.		
							1	2	3			T	B	G

MUD PROPERTIES, MATERIALS ADDED, COSTS

MUD WT	VIS	API WL	PH	PV	YP	CAKE - 32nds	% SOLIDS	% OIL	% SAND
LCM # BBL	GELS	HP-HT WL	PPM CL				TYPE MUD		
MATERIALS & QUANTITIES ADDED LAST 24 HOURS							DAILY MUD COST	CUM MUD COST	

HYDRAULICS

PUMP NO	STROKE	SPM	LINER SIZE	GPM	JET VEL	MIN ANNULAR VEL		BIT HYD HORSEPOWER	STANDPIPE PRESSURE
						COLLARS	DRILL PIPE		

1 1/4 PUMP RATE - _____ PSI @ _____ SPM 1 1/2 PUMP RATE - _____ PSI @ _____ SPM 3 1/4 PUMP RATE - _____ PSI @ _____ SPM

DRILLING INFORMATION

PICKUP WEIGHT	ROTATING WEIGHT	SLACKOFF WEIGHT	TORQUE	CONN TRIP FILL	LOSS RETURN RATE	24 HR MUD LOSS
DATA THROUGH VAL	DATA OFF	DATA ON	SHALE DENSITY	PIPE PRESSURE	FORMATION NAME'S & TOPS	
DRILLING BREAK		FORMATION TOP	FT BEFORE	FT AFTER	MAX	CHLORIDE INCHES

SUMMARY OF OPERATIONS

<i>Big up & plug Dakota Pert.</i>

OPERATIONS SEQUENCE

<i>7:00 A.M.</i>
<i>Big up Big A Well Service</i>
<i>Blow down tubing and casing in 10 mins</i>
<i>Pump 20 BBLs H2O down tubing and 40 BBLs down casing</i>
<i>Nipple down tubing head and nipple up BOPs</i>
<i>Pull 225 Jts. 1 1/2 EUE tubing and lay down</i>
<i>Big up Blue Jet and run gauge ring to 6200'</i>
<i>Pick up 2 3/8" EUE work string and Western Cement Retainer, Set at 6045' and fill back side with H2O.</i>
<i>Pump 100 sh. Class B cement below retainer at 4 BPM at 2500psi. Dumped 1/2 BBL cement on top and P.O.H. laying down the first 52 Jts.</i>
<i>Shut in over night.</i>
<i>6:30</i>

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.
E-588-2

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 type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name N/A
2. Name of Operator Union Texas Petroleum Corporation	8. Farm or Lease Name State Com
3. Address of Operator 375 US Highway 64, Farmington, New Mexico 87401	9. Well No. 1
4. Location of Well UNIT LETTER <u>G</u> <u>19</u> FEET FROM THE <u>North</u> LINE AND <u>1776</u> FEET FROM THE <u>East</u> LINE, SECTION <u>16</u> TOWNSHIP <u>28N</u> RANGE <u>9W</u> RMPM.	10. Field and Pool, or Wildcat Basin Dakota
15. Elevation (Show whether DF, RT, GR, etc.) 6408' GL	12. County San Juan

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"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input 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 1103.

Union Texas Petroleum desires to plug and abandon the subject well as follows:

- MIRU
- TOOH, lay down 1-1/2" tbg
- Run gauge ring
- Set retainer at 6040' KB. Set 100 sxs C1 "B", plug below retainer
- Perf casing at 4330' KB. Squeeze 25 sxs C1 "B" behind casing, spot 10 sxs C1 "B" in casing.
- Perf casing at 3730' KB. Squeeze 25 sxs C1 "B" behind casing, spot 10 sxs C1 "B" in casing.
- Spot 10 sxs C1 "B" at 2750' KB.
- Perf casing at 270' KB. Break circulation. Circulate to surface. Circulate 85 sxs C1 "B" to surface.
- Set dry hole marker.
- Dismantle and remove production equipment.
- Recontour and reseed.

RECEIVED

JUL 18 1986

OIL CON. DIV.
DIST. 3

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

SIGNED Robert C. Frank TITLE Permit Coordinator DATE July 11, 1986
APPROVED BY James H. Russell DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE 7-25-86
JUL 25 1986



Abandonment Authority

UNION TEXAS PETROLEUM Unicon

ORIGINATING OFFICE Engineering	UTP'S INTEREST 75%	UTP'S COST DR OR (CR) \$12,750	DATE 6/5/86
SUBJECT LEASE NO See attached WELL NO State Com #1 LOCATION 1917' FNL, 1776' FEL; Sec. 16, T28N-R9W FIELD Basin Dakota - Harris Mesa Area COUNTY AND STATE San Juan County, New Mexico		WELL STATUS PRESENT PRODUCTION (If zero, show date of prod) OIL AND OR CONDENSATE-(BPD) 0 GAS-(MCF/D) 5 NO. OF REMAINING PRODUCING WELLS ON LEASE 8 IS WELL SUBJECT TO OIL PRODUCTION PAYMENT? CRITICAL LEASE EXPIRATION DATE	

REMARKS:

It is proposed to abandon the subject Dakota well and drill a replacement dual Dakota/Mesaverde well.

This well was first produced during January, 1963 and has produced 525 MMCF and 8 MBO to date. The well has averaged 5 MCF/D during 1985 and is currently not capable of economic production. This well's primary cement job was very poor with no cement across large sections of casing, and it has been plagued with casing leak problems since the late 1960's. The resulting excessive water entry has inhibited effective production of this well. Past remedial work to squeeze and repair the casing has not been effective, with new casing leaks currently identified.

It is believed that excessive water production has permanently damaged the Dakota formation. The uphole Mesaverde formation offers an attractive recompletion; however, due to the poor condition of the production casing it is recommended that the subject well be P&A'd and a dual replacement well drilled in the same quarter.

This abandonment must be commenced prior to spudding the planned State Com #1R drillwell which is included in the 1986 Unicon optional budget.

COST ESTIMATE	PARTNERS (*OPERATOR)	OPERATING INTEREST
(1) EST. ABANDONMENT COST \$ 17,000	Unicon 75%	
(2) EST. VALUE OF SALVABLE EQUIPMENT \$ 10,000	(*UTP) (37.5%)	
(3) EST. NET COST OR CREDIT: (1)-(2) \$ 7,000	(KMI Prod.) (37.5%)	
(4) UTP'S SHARE 75% \$ 5,250	Getty Oil 25%	

APPROVALS M.K. 6/4/86 6/26/86	HEADQUARTERS	OPERATING COMMITTEE APPROVAL:
DIVISION LEVEL		
Land Mgr. _____ DTD _____	Land Admin. _____ DTD _____	
Opns. Mgr. _____ DTD _____	Land Staff _____ DTD _____	
Expl. Mgr. _____ DTD _____	Mgr Opns Geol _____ DTD _____	
G.M. _____ DTD _____	VP U.S. Expl _____ DTD _____	
	VP Engr./Prod. _____ DTD _____	
	VP & GM _____ DTD _____	
	Sr. VP Opns _____ DTD _____	
		O.C. No.:

ABANDONMENT AUTHORITY APPROVED

Company _____ Working Interest _____

By _____ Title _____

Date _____

NO. DISTRICT	
DISTRICT	
SANTA FE	
FILE	
U.S.C.S.	
LAND OFFICE	
OPERATOR	

OIL CONSERVATION DIVISION

P O BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-73

RECEIVED APR 13 1984

5a. Indicate Type of Lease
 State Fee
 5. State Oil & Gas Lease No.
 E-588-2

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. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL OTHER	7. Unit Agreement Name
2. Name of Operator Union Texas Petroleum Corporation	8. Farm or Lease Name State Com
3. Address of Operator P.O. Box 1290, Farmington, New Mexico	9. Well No.
4. Location of well UNIT LETTER <u>G</u> <u>1917</u> FEET FROM THE <u>North</u> LINE AND <u>1776</u> FEET FROM <u>East</u> <u>16</u> TOWNSHIP <u>28N</u> RANGE <u>9W</u> NMPW.	10. Field and Pool, or Wildcat Basin Dakota
15. Elevation (Show whether DF, RT, GR, etc.) 6409'	12. County San Juan

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input 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"/>	

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.

During a routine tubing job on 11/19/84, two casing leaks were found in the above captioned well at 420' and 4885'. The 4885' leak was squeezed with 210 sx cement and the 420' leak was squeezed with 370 sx. The well was cleaned out and casing pressure tested ok at 1500 PSI. The 1-1/2" production tubing was repaired and landed at 7702'. The well was returned to production.

ILLEGIBLE

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

SIGNED [Signature] TITLE Petroleum Engineer DATE 4/11/84
 APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE APR 13 1984

AFE

UNION TEXAS PETROLEUM

(COMPANY NAME AND NO. IF OTHER THAN UTPC)

UNICON

PREPARED BY MRH	DATE PREPARED 1/6/84
SHEET 1	OF 3
AFE NO. 6-1950	SUP. NO. 1

ORIGINATING OFFICE Farmington	TYPE OF WORK (IF NZW, INDICATE WHETHER EXPL. OR DEVEL.) Same Zone Workover		OPERATING PARTNER'S AFE NO.	
EST. START DATE 11/18/83	EST. FINISH DATE 12/19/83	TOTAL COST \$ 36,600	UPT INT. 75 %	UTP'S COST \$ 27,450

SUBJECT AND LOCATION (USE BLOCKS FOR DESIRED COMPUTER PRINTOUT NAME)

STATE COM NO 1

1917' FNL; 1776' FEL
Section 16, T28N-R9W

Kutz Canyon Area
San Juan County, New Mexico

E&P	PROJECT CATEGORY	NON-E&P
LEASE <input type="checkbox"/>	G&G <input type="checkbox"/>	EXPANSION <input type="checkbox"/>
EXPLOR. <input type="checkbox"/>	R/M CAPITAL <input type="checkbox"/>	ENERGY <input type="checkbox"/>
DEVEL. <input type="checkbox"/>	ENVIRONM. <input type="checkbox"/>	EXPENSE <input type="checkbox"/>
L&WE <input type="checkbox"/>	LSEHOLD. IMP. <input type="checkbox"/>	OTHER <input type="checkbox"/>
EXPENSE <input checked="" type="checkbox"/>	COST SAV. <input type="checkbox"/>	

IMPLEMENTS AN AR PRIOR APPROVAL

PROPOSAL

This expense workover to repair casing over expended the original AFE because the three leaks found required a total of 6 squeezes to repair rather than the 2 squeezes originally anticipated.

In addition, nitrogen was required to clean out the well.

No production tests are available to date.

All permits required by governmental agencies were obtained prior to performing this work and proper precautions were taken to avoid damage to the environment.

Approved - Getty Oil Company

By *[Signature]* 1/19/84

APPROVAL	DATE	PARTNERS (*OPERATOR)	INTEREST (%)	FOR SUPPLEMENTAL AFE USE ONLY	
		UNICON	75 %	1. CUM. AMOUNT PREVIOUSLY AUTH.	TOTAL COST \$ 68,600 UTP'S COST \$ 51,450
		*(UTPC)	(37.5 %)	2. THIS SUPPLEMENT	\$ 36,600 \$ 27,450
		(Florida Exploration)	(37.5 %)	TOTAL (1) + (2)	\$ 105,200 \$ 78,900
		Getty Oil	25%	(2) ÷ (1)	53.4 % 53.4 %

ESTIMATED COST					
NEW DRILLING WELLS AND/OR CAPITAL WORKOVERS ONLY	PRODUCTIVE	DRY HOLE	EXPENSE WORKOVERS OR OTHER PROJECTS	TOTAL COSTS	UTP'S COST
TANGIBLE EQUIPMENT			CAPITAL BUDGET		
INTANGIBLE COSTS			OPERATING EXPENSE		
TOTAL COST			OTHER		
UTP'S COST			TOTAL		

ACCOUNT CHARGES				STAFF REVIEWS		OPERATING DEPARTMENT REVIEW / APPROVAL		EXPL MGR	DATE	PROG MGR	DATE		
[Grid]				LEGAL	DATE	WKC		DATE	1/6/84	Witzke 1/6/84			
				ENV SVCS.	DATE	RDM		DATE	1/6/84	GmW 1-10-84			
				ADMN.	DATE			DATE					
ACCOUNTING CONTROL				TREAS.	DATE			DATE					
SUBJECT TO CORPORATE APPROVAL				AR/PROJECT NUMBER				V.P. & G.M.		DATE			
BUDGET STATUS				PLACED BY TRANSFER				V.P. & G.M.		DATE			
INCLUDED <input type="checkbox"/> NOT INCLUDED <input type="checkbox"/>				FUNDED BY SUBSTITUTION				UTPC PRESIDENT					
PROPT.	DATE	LOG	ECON. ANAL.	DATE	LEASE REC.	DATE	FILE NO.		DATE	AFE NO.	SUP NO.		

Union Texas Petroleum Corporation

MEMORANDUM

DATE: November 2, 1983

TO: G. M. Walston

SUBJECT: State Com Well No. 1
1917' FNL; 1776' FEL
Kutz Canyon Area
Section 16, T28N-R9W
San Juan County, New Mexico


Recommendation: It is recommended this well's casing and tubing be repaired to restore 90 MCFD production.

Conclusion: It is proposed to cement squeeze casing leaks in this well to shut off water entry. Elimination of excessive water production will allow restoration of the 90 MCFD gas production rate paying out \$68,600 in estimated repair costs in 12.5 months.

Discussion: 1960-1965 Dakota completions within one section (see attached map) of the State Com Well No. 1 have an average cumulative production of 857 MMSCF. The State Com Well No. 2 located 800' FSL and 1695' FWL in Section 16, T28-R9W and completed in the same year as the State Com Well No. 1 has produced 1161 MMSCF. The State Com Well No. 1 has a 519 MMSCF cumulative production in comparison and has been plagued with casing leak problems since 1970 (possibly 1966). It should also be noted the second stage of the primary cement job was not performed because the stage tool located at 5350' KBE failed to open. The water entry being experienced now is probably a result of not cementing the second stage with a subsequent casing failure and associated water production.

The casing was found to be leaking during 1970 and was temporarily fixed by setting a packer at 6800' and filling the tubing annulus with IMCO Ken-Pack. The well produced about 90 MCFD until 1978 when the well experienced a rapid decrease in production (see attached Production Curve), indicative of tubing or packer failure.

Repair of the casing leak should allow restoration of this well's 90 MCFD production paying out estimated repair costs of \$68,600 in 12.5 months at current \$2.00/MCF gas price. In the event the Dakota has been damaged beyond cost effective remedial action, the Mesaverde offers an attractive recompletion zone.


M. R. Herrington
Petroleum Engineer

MRH:lm

*Well
File*
GAS COMPANY OF NEW MEXICO

June 14, 1983

Union Texas Petroleum Corp.
P. O. Box 808
Farmington, N.M. 87401
Attn: K. Roddy

Subject: State Com 1 Sta.7087-30 (G)16-28-09

Gentlemen:

We wish to advise that the above named well is no longer economically capable of producing into our pipe lines. We plan to temporarily suspend service to this well at the end of sixty days unless the daily production is increased.

Due to the extremely low daily production of this well, the changing of charts, servicing of equipment, maintaining pipe lines and roads impose an excessive economic burden on our operations.

We will be pleased to reinstitute service upon notification that the well is again economically capable of producing into our lines.

Very truly yours,

J.R. Large
James R. Large
Dispatch Manager

/sw

cc: Mr. E. R. Corliss, Engineering
Mr. R. J. McCrary, Prorations
Mr. Mike Lambert, Gas Supply
Mr. Don McKay, Gas Supply
Ms. Nylene Dickson, Econ. Analyses
Mr. Bryant Roundy, Kutz
File

P. O. Box 1899, Bloomfield, New Mexico 87413

March 24, 1971

DRILLING & PRODUCTION DIVISION
BENNY F. BECHTOL
MANAGER

Skelly Oil Company
1088 Lincoln Tower Building
1860 Lincoln Street
Denver, Colorado 80203

Attention: Mr. Leland Franz
Production Manager

Re: State 1-16 Lease (State Comm No. 1)
Basin Dakota Field
San Juan County, New Mexico

Gentlemen:

As you are aware we have encountered production difficulties with the above well for the past five or six years. We have tried to remedy these problems, but have not been successful. We now have water entering the well bore and believe that it is due to a casing leak in the Ojo Alamo section.

It is our recommendation that we now pull and inspect the tubing and run a retrievable production packer on the 1-1/2" tubing and set it just above the Dakota perforations - then swab test the well in an attempt to determine if we have a casing leak from which the water is entering the well.

In the event that it is determined that we have a casing leak, we would fill the Annulus with a gelled oil solution (IMCO-KEN-BACK), which is acceptable to the Corporation Commission. If it appears that we do not have a casing leak, we would release the rig and review our findings and make further recommendations.

Attached is a re-work procedure and re-work cost estimate. If you agree to this \$5,775.00 expenditure, please sign and return a copy of this letter. Also attached is well history and production information, which might be useful to you.

If further information is needed, please contact us.

Yours very truly,

EEB/mc
Attachment

APPROVED: [Signature]
TITLE: Production Manager
DATE: April 2, 1971

ILLEGIBLE

STATE COM. NO. 1

(ADDENDUM TO REPORT OF 1966)

TOTAL CUMULATIVE PRODUCTION THRU DECEMBER 1970.

GAS = 278,966 MCF OIL = 5778 MCF

CONCLUSIONS

This well is apparently unable to produce due to fluid entering the wellbore from some source other than the producing Dakota interval.

During a period of the last several years many various methods have been used to keep the well on production with no apparent results. At one period during this time well-head freezes occurred which may have been due to mechanical trouble in the tubing string or the wellhead equipment. This problem has not occurred recently. It is possible some type of casing failure has occurred.

It is recommended that the tubing be pulled and inspected. A 4-1/2" Baker Model "G" Packer run on the 1-1/2" tubing and set above the Dakota perforations at approx. 6800 ft. with tail pipe under packer set to a depth of approx. 7100 ft. R.K.B. The tubing will be swabbed and gas and fluid production checked. If testing indicates fluid production is coming from above the packer, the Annulus between the 1-1/2" tubing and 4-1/2" casing can be filled with INCO-KEN PACK material and well returned to production.

If no results are made by using the packer, other more extensive testing methods may have to be used to determine the problem with this well. If this happens the cost of the re-work will be greatly increased which will make the economics of an expensive re-work doubtful.

STATE COM #1

7/31/69 - PUT SWABBING UNIT ON WELL AND STARTED TO SWAB AT 9:40 A.M. SWAB UNIT WOULD GO NO DEEPER THAN 4615 FEET. POSSIBLE CHANGE-OVER OR TIGHT PLACE IN TUBING.

WELL KICKED OFF AT 1:40 P.M. WELL QUIT AT 3:00 P.M. RAN SWAB UNIT AGAIN. WELL KICKED OFF; PUT WELL THROUGH UNIT. LEFT SWAB UNIT OVER HOLE SHOULD WELL DIE.

8/1/69 - 7:00 A.M. , WELL FLOWING. RIG SWABBING UNIT DOWN. LEFT LOCATION AT 9:30 A.M. 8/1/69.

WELL FLOWING WEAK THROUGH UNIT INTO PIT. 10:00 A.M. 8/1/69

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DATE RECEIVED	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

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

Dakota
E-6635-1
E-588-2
E-2131-3

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.
Gallup B-11017-39

a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER _____
B-11017-35
E-4959-1

7. Unit Agreement Name

b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR.

8. Farm or Lease Name
State Com

c. Name of Operator
Union Texas Petroleum Corporation

9. Well No.
1-F

d. Address of Operator
P. O. Box 1290, Farmington, New Mexico 87499

10. Field and Pool, or Wildcat
Basin Dakota

e. Location of Well
VIT LETTER 0 LOCATED 1062 FEET FROM THE South LINE AND 1608 FEET FROM

RECEIVED
JUL 09 1984
OIL CON. DIV.
DIST. 2

f. Township and Range
East LINE OF SEC. 16 TWP. 28N RGE. 9W NMPM

12. County
San Juan

5. Date Spudded 12/12/83
16. Date T.D. Reached 1/16/84
17. Date Compl. (Ready to Prod.) 1/27/84
18. Elevations (DF, RKB, RT, GR, etc.) 6312 R.K.B.
19. Elev. Casinghead 6300

20. Total Depth 7225
21. Plug Back T.D. 7172
22. If Multiple Compl., How Many 2
23. Intervals Drilled By Rotary Tools 0 - 7225 Cable Tools ----

4. Producing Interval(s), of this completion - Top, Bottom, Name
6906 - 7167 Dakota
25. Was Directional Survey Made
No

6. Type Electric and Other Logs Run
ISFL-GR, CNLD-GR, Temp
27. Was Well Cored
No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48.00#	329	17-1/2"	See Supplement	413 CF
9-5/8"	40.00#	4160	12-1/4"	See Supplement	1212 CF
7"	23.00#	3330 - 6539	8-1/2"	See Supplement	765 CF
4-1/2"	11.60#	6417 - 7224	6-1/4"	See Supplement	357 CF

LINER RECORD

TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
7", 23.00#	3330	6539	765 cu. ft.		2-3/8" E.U.F.	6971	5224
4-1/2", 11.60#	6417	7224	387 cu. ft.				

1. Perforation Record (Interval, size and number)
See Supplement

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
See Supplement

PRODUCTION

date First Production 1/28/84
Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing
Well Status (Prod. or Shut-in) Shut-in

date of Test 6/25/84
Hours Tested 3
Choke Size 3/4"
Prod'n. For Test Period
Oil - Bbl. Gas - MCF 157
Water - Bbl. Gas - Oil Ratio

Flow Tubing Press. 97
Casing Pressure NA
Calculated 24-Hour Rate
Oil - Bbl. Gas - MCF 1253
Water - Bbl. Oil Gravity - API (Corr.)

Disposition of Gas (Sold, used for fuel, vented, etc.)
Vented - To Be Sold
Test Witnessed By
Bruce Voiles

List of Attachments
Item No. 28, 31, and 32 (Cementing Record, Perforation and Frac Record)

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 Kenneth E. Roddy
Kenneth E. Roddy
TITLE Area Production Supt.
DATE 7/5/84

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OPERATOR	

Form C-105
Revised 11-84

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

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.
E-6635

6. TYPE OF WELL
OIL WELL GAS WELL DRY
b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER

RECEIVED
DEC 19 1986
OIL CON. DIV.
DIST. 3

7. Unit Agreement Name
N/A
8. Farm or Lease Name
State Com
9. Well No.
1A

c. Name of Operator
Union Texas Petroleum Corporation
d. Address of Operator
375 US HIGHWAY 64, Farmington, NM 87401
e. Location of Well

10. Field and Pool, or Wildcat
Basin Dakota

f. NE 1/4 LETTER A LOCATED 1028 FEET FROM THE North LINE AND 1120 FEET FROM
g. East LINE OF SEC. 16 TWP. 28N RGE. 9W NMPM

11. County
San Juan

12. Date Spudded 8/22/86 16. Date T.D. Reached 8/30/86 17. Date Compl. (Ready to Prod.) 10/14/86 18. Elevations (DF, RAB, RT, GR, etc.) 6587 GL 6599 KB 19. Elev. Casinghead 6588

20. Total Depth 7550 21. Plug Back T.D. 7482 22. If Multiple Compl., How Many 2 23. Intervals Drilled By: Rotary Tools 0-7550 Cable Tools

24. Producing Interval(s), of this completion - Top, bottom, Name
Dakota 7292-7462 25. Was Directional Survey Made
No

26. Type Electric and Other Logs Run
IE-GR, CDL-SNL 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
10-3/4	45.50	320	14-3/4	See attached	
7-5/8	29.70	3250	9-7/8	See attached	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
5-1/2	3045	7504	see attached	N/A

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
1 5/8	7432	5610

31. Perforation Record (Interval, size and number)
See attached

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
<u>See attached</u>	

33. PRODUCTION
Date First Production 10/14/86 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) shut-in

Date of Test	Hours Tested	Choke Size	Prod'n. Per Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/04/86	3	3/4		0	156	0	N/A

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
95	packer		0	1249	0	N/A

34. Disposition of Gas (Sold, used for fuel, vented, etc.)
Vented (to be sold) Test Witnessed By
Connie Clevenger

35. List of Attachments
Cementing, Perforation, Stimulation Records

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 Robert C. Frank TITLE Permit Coordinator DATE 12/17/86

28. Cementing Record

Surface Casing: 290 sxs (342 cu.ft.) C1 "8" containing 2% CaCl₂, 1/4# flocele/sk. Circulate 25 bbls (140 cu.ft.) cement to pit.

Intermediate Casing: 330 sxs (947 cu.ft.) 65/35 P0Z containing 12% gel, 12-1/4# gilsonite/sk, tailed by 100 sxs (118 cu.ft.) C1 "8" containing 2% CaCl₂. Circulate 15 bbls (84 cu.ft.) cement to surface.

Production Liner: 475 sxs (746 cu.ft.) 50/50 P0Z with 4% gel, 6-1/4# gilsonite/sk, and 10# salt/sk. Circulate 4 bbls (22 cu.ft.) cement off of liner hanger to surface.

31. Perforation Record

Dakota: Total 18 - 0.34" holes @ 7426', 7393', 57', 55', 53', 51', 49', 47', 45', 43', 41', 39', 37', 35', 7295', 94', 93', 92'.

32. Stimulation Record

<u>Depth</u>	<u>Material</u>
7292-7462	Acidize: 1500 gals 15% HCL w/36 - 7/8" ball sealers Frac: 100,000# 20/40 sand in 94,294 gals 70 Q foam