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SAN JUAN DRILLING CO.
Farmington, N.Mex.
Dec. 7, 1948

Albuquerque, N.M.
Farmington, N.M.
Cortez, Colo.
Blanding, Utah

Haddock & Woodruff

#1 Grober-Fuqua
Valencia Co.

Sec 19, T-5-N, R-3-E
336' PSL & 1742' FEL

Gentlemen:

Mr. Cecil Kingle of Albuquerque, N.Mex., has asked me to make a report on the Grober-Fuqua well drilled six miles east of Belin, N.Mex.

This well, when it was taken over by Mr. Miley, and Mr. Woodruff, for whom I was drilling supt., had been drilled to 3975 ft. with cable tools. There was 200 ft. of 10-3/4 in. casing, 1350 ft. of 8-5/8 in. casing, and 3950 ft. of 5-3/4 in. casing cemented, supposedly in the top of an oil bearing sand, carrying quite a bit of gas pressure.

We rigged up over this hole with a small rotary to drill the cement plug and test the formation. After drilling the plug and bailing the well down to see if we had a "shut-off", we cored ahead to 4050 ft. on brown sand but found no show of oil or gas.

This hole had been standing full of heavy mud for five years and it is quite possible that any show of gas in the twenty five ft. of open hole below the casing could have been mudded off. Our cores below 3975 ft. showed neither oil or gas.

Due to the small casing we were having to make a 5-3/4 in. hole, using 2-7/8 in. regular drill pipe and we were having trouble getting enough circulation to keep the hole clean. However Mr. Miley decided to carry the hole on down as far as possible under these conditions and the 5-3/4 in. hole was bottomed at 5200 ft.

After a conference in Los Angeles it was decided to pull the small casing, start with a larger hole and go on to seven thousand ft. or production.

We whip-stocked away from the old hole at 700 ft. and started making 9-7/8 in. hole at that point. At 750 ft. live green oil started showing up on the mud pits, but as this was the valley fill, Mr. Miley decided not to make a test, so we passed it up.

When the bit reached 5950 ft we began to notice that our mud was being cut with gas. It was at this point that, our geologist, Mr. Andrews figured we topped the Pennsylvania. The deeper we got into the formation, the more gas we encountered and the more our mud was gas cut. As there is always danger of a blow-out in wildcat drilling, we started loading our mud with Bariod to keep the bottom hole pressure great enough to offset the gas pressure. By the time we reached 6370 ft. we were using eleven pound mud with a high viscosity, and even with this pressure (Approx. 6500 lbs. sq. in.) it was necessary to keep the hole full of mud while making a trip to change bits.

At 6370 ft. we had a fishing job, and as the hole was caving in the upper fill and the gas pressure was increasing as we got deeper in the Pennsylvania, we decided to set a string of 8-5/8 in. casing to protect the hole and put on blowout preventers and control heads.

During the time we were drilling Mr. Miley and Mr. Woodruff were trying to get and hold control of the Tome Grant. They had gotten control through Court action, but a higher Court reversed the decision and the Tome Grant went back to Mr. Ringle.

Since Mr. Miley and Mr. Woodruff had spent some \$300,000.00 on this venture, they were unwilling to bring in a well so close to the Tome Grant without some control or interest in the Grant. No satisfactory deal could be worked out and Mr. Miley stated positively that he wouldn't drill another foot until it could.

On the 15th. of August, 1946, I was ordered to shut the well down until further notice, and when I left Mr. Miley's employment in Oct. 1947 the well was setting just as we left it. Total depth 6370 ft. with 2350 ft. of 8-5/8 in. casing cemented, the blowout preventers and master gates on, ready to drill ahead to the bottom of the Pennsylvania.

As the well was not completed, it would be impossible to say what it would make. Mr. Miley has been drilling oil and gas wells for over fifty years and he, as well as the geologist, Mr. Andrews, had all the faith in the world that we were on top of a large producing structure.

I was with the Olson Drilling Co. of Tulsa, Okla., for seventeen years as driller and tool-pusher and have drilled oil and gas wells all over the Mid-Continent and the Province of Alberta in Canada.

In my estimation and from what the Pennsylvania formation does in this state, this well properly drilled and completed would make many millions of feet of gas, with the best possibility for an oil well in the bottom of the structure.

About Sept. 1st. of this year, after much litigation, Mr. Ringle gained complete control of the Tome Grant and it is my understanding that Mr. Miley and Associates have dissolved partnership and abandoned the Grober-Fugate well, and most of all the equipment at the well has been salvaged by creditors.

T.L. Crothers