

The west offset Section 1 of T18S, R25E to the west has a plugged and abandoned well in NE/4. There are no operators of record for the W/2 of Sec. 1, T18S, R25E.

- d. A mechanical log has been filed.
- e. A diagrammatic sketch is attached.
- f. Zone pressures and production rates:

Strawn zone 8038'-8076'

Bottomhole pressure 1741 psi by shut-in 2% kcl water level after stim.

Production rate: 130 mcfpd + 0 cond. + 0 wtr after stimulation 10-16-00.

Morrow zone 8460'-8492'

Bottomhole pressure 2026 psi from surface shut-in of 1675 psi after 96 hr.

Production rate: 261 mcfpd + 0 cond. + 0 wtr from C-104 test 10-4-00.

- g. Proposed allocation formula based on gas rate ratio:

Strawn 33%

Morrow 67%

- h. Fluid characteristics:

Strawn Gas gravity 0.638

Morrow Gas gravity 0.600

Fluids will not be incompatible in the well bore

- i. Statement

All offset operators and the Bureau of Land Management have been notified of this application. Attached are the BLM Sundry notice approval and the waiver of objection from Yates Petroleum Corp., the only offset operator.

Sincerely,

*Carl Brown*

Carl Brown  
Petroleum Engineer

NMOCD Approval:

*Jim M. Green District Supervisor*

Date: **DEC 15 2000**

cb/CWB  
cc: File