



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87411
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE July 20, 1992

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL ✓ _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated July 9, 1992
for the Tesoro Petro Corp HSU # 97 G-1-17N-9W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Jeff A. Edmister



Tesoro Petroleum Corporation

July 7, 1982

RE: Application for Administrative
Approval of an Unorthodox
Location of the Tesoro Hospah
Sand Unit 97, Unit "G" Sec. 1,
T17N-R9W, McKinley Co., New Mexico

Mr. Joe Ramey
Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

The waterflood orders that indicate that we may receive administrative approval for unorthodox locations are attached.

The reason for requesting this particular well location is to recover oil that we believe may not otherwise be recovered.

The production and log data indicate that a lithological (strand line) change occurs in an area East of the requested location. On the attached plat this "barrier" has been drawn in red. You will note the wells to the West #2, 39, 56, and 24A have relatively good production and cumulatives. On the other hand, those wells to the East #85, 52, and 9 have performed poorly as previously mentioned.

It is our belief that in this instance the requested location would recover oil that has been pushed against this "barrier". This oil could only be recovered by drilling the requested location. If it is further believed that the drilling of this location could lead to the recovery of additional reserves by drilling additional wells for similar reasons.

We are also attaching the other data required by the Commission and Rule 104. You will note that Tesoro owns 100% of Working Interest in all

- continued -



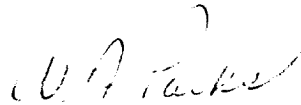
Mr. Joe Ramey
RE: Application for Administrative Approval
of an Unorthodox Location of the Tesoro
Hospah Sand Unit 97
July 7, 1982

Page Two

offset acreage and the acreage has been unitized which would protect
correlative rights.

Please advise me if you require additional information.

Sincerely,

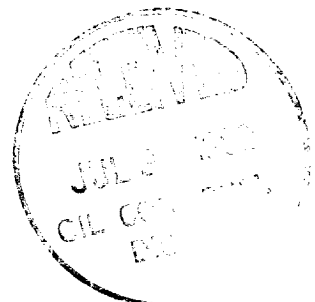


W. F. Parks
District Operations Manager

WFP:p11

Enclosures

cc: Frank Chavez, Supervisor District #3



PRODUCTION INFORMATION

<u>WELL NUMBER</u>	AVG. DAILY PRODUCTION TO 6-1-82		CUMULATIVE PRODUCTION TO 6-1-82		
	<u>OIL</u>	<u>WATER</u>	<u>OIL</u>	<u>WATER</u>	
2	5.5	541	64,146	3,062,224	(Since 1966)
39	4.4	142	13,538	607,905	(Since 1966)
56	12.0	160	148,011	532,239	(Since 1972)
24A	7.4	240	95,470	1,190,718	(Since 1966)
1Y	9.5	1.7	33,785	5,544	(Since 1971)
9	.65	12.5	2,567	28,996	(Since 1974)
52	1.0	18.8	5,499	45,792	(Since 1971)
85	2.2	1.7	4,856	3,424	(Since 1975)

