

Applicant for TX order

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New Mexico Oil Conservation Division
Department of Energy & Minerals
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Joe Ramey

Gentlemen:

Conoco Inc. respectfully requests administrative approval to produce AXI Apache N No. 17 as a tubingless completion.

The AXI Apache N No. 17 is currently being drilled as a proposed gas well in the Pictured Cliffs formation. It is located 1100' FNL & 1450' FWL of Section 2, T-25N, R-4W in Rio Arriba County.

We propose to drill this well to a total depth of 3900' with the following casing and cementing programs:

Casing:

Surface - 7", 23#, K-55 set at 250'
Production - 3-1/2", 9.3#, EUE set @ 3900'

Cement:

Surface - cemented with 64 sx Class "B" to surface
Production - cemented with 370 sx 50-50 pozmix and
100 sx Class "B" neat. Cement top at 2650' from
temperature survey

This well is expected to produce an average daily rate of 118 MCF with little or no fluid production. In the event the well begins significant production of liquids, Conoco intends to run 1-1/4", 1.7#, I.J. tubing to unload the well.

In our opinion, no loss of production and/or reserves due to the above well completion will result, therefore, we respectfully request administrative approval to produce this well as a tubingless completion.

Yours very truly,



MEG:jlj

cc: NMOCD - Aztec