



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 28, 1996

RECEIVED
SEP - 1 1996

McElvain Oil & Gas Properties, Inc.
P. O. Box 2148
Santa Fe, New Mexico 87504-2148
Attention: Anna M Griego

OIL CON. DIV.
DIST. 3

Administrative Order NSL-3699

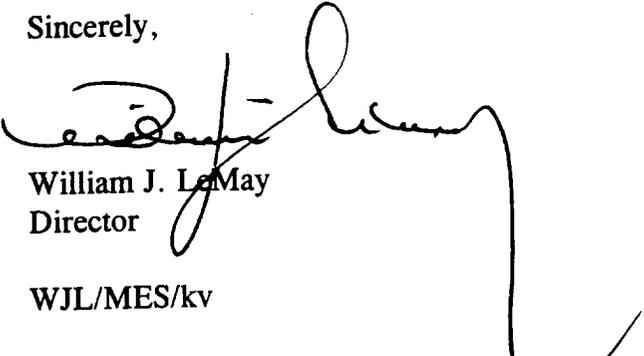
Dear Ms. Griego:

Reference is made to your application dated August 7, 1996 for a non-standard Blanco-Mesaverde gas well location 2840 feet from the North line and 950 feet from the East line (Unit H) of Section 1, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, for your existing FD Well No. 1 (API No. 30-039-24117), which was drilled at a standard oil well location in 1987 and completed in the West Lindrith Gallup-Dakota Oil Pool.

It is our understanding that the Gallup interval is to be properly plugged back and said well will be recompleted to the Blanco-Mesaverde Pool and, pursuant to the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-8170, as amended, said location is unorthodox. Further, Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of said Section 1 shall be dedicated to the well to form a 391.92-acre gas spacing and proration unit for the Blanco-Mesaverde Pool.

By the authority granted me under the provisions of **Rule 2(d)** of said special pool rules, the above-described unorthodox gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec

McELVAIN OIL & GAS PROPERTIES, INC.

409 ST. MICHAELS DRIVE
P.O. Box 2148

SANTA FE, NEW MEXICO 87504-2148

ANNA M. GRIEGO
EXPLORATION & PRODUCTION ADMINISTRATOR

TELEPHONE 505/982-1935 EXT. 113
FAX 505/984-3027

August 7, 1996

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

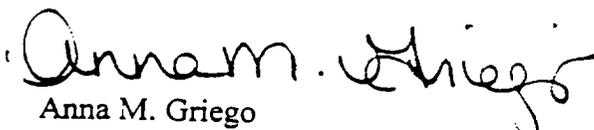
*RE: Non-Standard Gas Well Location
FD Well No. 1
Rio Arriba County, New Mexico*

Dear Mr. Stogner:

McElvain Oil & Gas Properties, Inc. hereby requests administrative approval of its application for a non-standard location for its existing FD Well No. 1 located in Section 1 of Township 25 North, Range 3 West, Rio Arriba County, New Mexico. This well is currently completed in the West Lindrith Gallup-Dakota Pool at a standard location for that pool. It is our intent to plug this well back to the Mesaverde formation creating a standard 391.22-acre spacing unit. Pursuant to the Special Rules for the Blanco Mesaverde Pool this location is unorthodox.

In support of this application please find the Application for Permit to Plugback, Well Location Plat, and Offset Operator/Owner Plat and List. If you require any other information, please contact me.

Sincerely,


Anna M. Griego
Exploration & Production Administrator

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OIL CON. DIV.
DIST. 3

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: McElvain Oil & Gas Properties, Inc. P.O. Box 2148 Santa Fe, NM 87504-2148		OGRID Number 22044
		API Number 30-039-24117
Property Code 6661	Property Name FD	Well No. 001

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	I	25N	3W		2840	North	950	East	Rio Arriba

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Blanco Mesaverde					Proposed Pool 2				

Work Type Code P	Well Type Code G	Cable/Rotary C	Lease Type Code P	Ground Level Elevation 7347 KB
Multiple No	Proposed Depth 6000	Formation MV	Contractor	Spud Date

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement
No change - This is a plug back. See attached C-105				

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 DIST. 3

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

This existing completion (West Lindrith Gallup-Dakota) will be squeeze cemented below a cement retainer. The Mesaverde will be selectively perforated, tested and fractured if warranted. See attached procedures.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Anna M. Greigo</i>		OIL CONSERVATION DIVISION	
Printed name: Anna M. Greigo		Approved by:	
Title: Expl. & Prod. Administrator		Title:	
Date: July 22, 1996		Approval Date:	Expiration Date:
Phone: 505-982-1935X113		Conditions of Approval: Attached <input type="checkbox"/>	

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 AFI Number 30-039-24117		2 Pool Code		3 Pool Name Blanco Mesaverde	
4 Property Code 6661		5 Property Name FD			6 Well Number 001
7 OGRID No. 22044		8 Operator Name McElvain Oil & Gas Properties, Inc.			9 Elevation 7347' KB

10 Surface Location

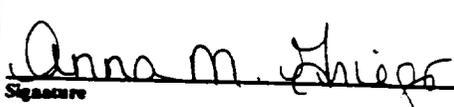
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	1	25N	3W		2840	North	950	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedication Acres 391.92	13 Joint or Infill N	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	17 OPERATOR CERTIFICATION	
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
	 Signature Anna M. Griego Printed Name Expl. & Prod. Administrator Title July 22, 1996 Date	
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
Date of Survey Signature and Seal of Professional Surveyer:		
Certificate Number		

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 DIST. 3

Mesaverde Recompletion Procedure

FD No. 1

1. Move in and rig up pulling unit.
2. Unseat pump and hot oil well.
3. Pull and lay down rods and pump.
4. Remove tree and install BOP.
5. Pull 2 3/8" tubing. Tubing anchor set at 7287' with 12,000 lbs tension.
6. Run 4 3/4" bit and 5 1/2" casing scraper to COTD at 8256' and circulate hole.
7. Run cement retainer on tubing and set at 8,000'±.
8. Squeeze cement Dakota perforations with 35 sacks of cement.
[(8255' - 8000') × 0.1336 ft³/ft = 34 ft³ ÷ 1.18 = 29 sks]
9. Run cement retainer on tubing and set at 6775'±.
10. Squeeze cement Gallup perforations with 90 sacks.
[(6775' - 7504') × 0.1336 ft³/ft = 97.4 ft³ ÷ 1.18 = 82.5 sks]
11. Run GR, CBL & CCL from 6400' to 5400'.
12. Run a thru-casing formation evaluation log from 6150' to 5650'.
13. Perforate intervals based on information obtained from formation evaluation logs.
14. Break down perms with 500 gallons 15% HCl.
15. Run packer on 2 3/8" tubing and set packer above perms.
16. Swab test perms. Check annulus for vacuum.
17. If perforations produce gas or no water, frac Mesaverde and put well on production.
18. If Mesaverde is wet, proceed to P&A well.

Plug and Abandon Procedure

FD No. 1

1. Move in and rig up pulling unit.
2. Unseat pump and hot oil well.
3. Pull and lay down rods and pump.
4. Remove tree and install BOP.
5. Pull 2 3/8" tubing. Tubing anchor set at 7287' with 12,000 lbs tension.
6. Run 4 3/4" bit and 5 1/2" casing scraper to COTD at 8256' and circulate hole.
7. Run cement retainer on tubing and set at 8,000'±.
8. Squeeze cement Dakota perforations with 35 sacks of cement.
[(8255' - 8000') × 0.1336 ft³/ft = 34 ft³ ÷ 1.18 = 29 sks]
9. Run cement retainer on tubing and set at 6775'±.
10. Squeeze cement Gallup perforations with 90 sacks.
[(6775' - 7504') × 0.1336 ft³/ft = 97.4 ft³ ÷ 1.18 = 82.5 sks]
11. Spot a 25 sack cement plug at 5400' (top of Mesaverde).
12. Spot a 25 sack cement plug at 3700' (top of Fruitland).
13. Spot a 25 sack cement plug across the surface casing shoe at 210'.
14. Cut off casinghead and install surface plug and P&A marker.
15. Remove surface equipment and rehab location.

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

5a. Indicate Type of Lease
State Fee

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. State Oil & Gas Lease No.
7. Unit Agreement Name

1a. TYPE OF WELL

8. Farm or Lease Name
FD

b. TYPE OF COMPLETION

OIL WELL GAS WELL DRY OTHER _____

9. Well No.
1

NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER _____

10. Field and Pool, or Wildcat
Ojito Gallup-Dakota

2. Name of Operator

T. H. McElvain Oil & Gas Properties

3. Address of Operator

P. O. Box 2148, Santa Fe, NM 87504-2148

4. Location of Well

UNIT LETTER H LOCATED 2840 FEET FROM THE North LINE AND 950 FEET FROM

12. County
Rio Arriba

East LINE OF SEC. 1 TWP. 25N RGE. 3W

5. Date Spudded

16. Date T.D. Reached

17. Date Compl. (Ready to Prod.)

18. Elevations (DF, RKB, RT, GR, etc.)

19. Elev. Casinghead

5-22-87

6-3-87

7-25-87

7347 KB

7336

6. Total Depth

8350

21. Plug Back T.D.

8330

22. If Multiple Compl., How Many

N/A

23. Intervals Drilled By

Rotary Tools

0-8350

Cable Tools

6. Producing Interval(s), of this completion - Top, Bottom, Name

Gallup 6820-7504

Dakota 8065-8227

25. Was Directional Survey Made

Yes

7. Type Electric and Other Logs Run

DIL-SFL-CAL-GR-SP, FDC-CNL, BHTV, GR-CBL-CCL

27. Was Well Cored

No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	MOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#, K-55	210	12 1/2"	-236 cu ft. (200 sks) Class B+2%CaCl	
5 1/2"	17# N-80	8342	8 3/4"-5521	2750 cu ft (see attachment)	
	17# K-55		7 7/8" to TD		
	15.5# J-55				

LINER RECORD

30. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	7508	

Cast iron bridge plug-7600'

Perforation Record (Interval, size and number)

8065, 8067, 8076, 8078, 8127, 8129, 8169, 8170, 814-27, .42" dia, 22 holes total for Dakota.

See Attachment for Gallup perms.

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
8065-8227	1100 gal 15% HCL + 30 balls
	Frac w/89964 gal x-link 30 lb gelled 2% KCL wtr+87, 172# 20/40 sd. (see attachment for Gallup)

PRODUCTION

First Production 5-87	Production Method (Flowing, gas lift, pumping - Size and type pumps) Pumping 2 1/2" x 1 1/2" x 16' x 18' x 20' RHAC	Well Status (Prod. or Shut-in) Prod.
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of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
6-87	12	64/64th		30	25	*75	

Tubing Press. psi	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
	150 psi		60	50	*150	

Disposition of Gas (Sold, used for fuel, vented, etc.)

Gas will be sold

Test Witnessed By
Joe Elledge

List of Attachments

Attachment for Sections 28, 31 & 32

*frac water

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.

PREPARED BY

TITLE

Geological Engineer

DATE

8-6-87

George B. Brown

Attachment to Form C-105
Well Completion Report for
the FD #1, SE/4 NE/4 Sec 1-25N-3W
Rio Arriba County, New Mexico

#28 Casing Record/Cementing Record
5½" production casing was three
stage cemented as follows:

1st Stage: 350 sks (494 cu ft) 50-50 posmix + 2% gel + 10% salt and 6½
lbs/sk gilsonite preceded by 20 bbls CW7.

2nd Stage: 550 sks (1012 cu ft) 65-35 posmix + 3% gel + 10% salt + 10% Cal
seal & 12½ lbs/sk gilsonite. Tailed in w/60 sks (70 cu ft) Class B neat.

3rd Stage: 600 sks (1104 cu ft) 65-35 posmix + 6% gel + ½ lb/sk
cel-o-flake & tailed in w/ 60 sks (70 cu ft) Class B neat. Full returns,
circulated 25 bbls good cement to the pit. Final plug down at 9:46 PM on
6-5-87. Set slips w/100,000 psi, released rig.

#31 Perforation Record

Gallup perms:

Lower: 7504-7476 1 JS/4 ft.
7338-7270 1 JS/4 ft.
7270-7180 1 JS/2 ft.
7180-7064 1 JS/4 ft.
.42 dia, total 102 holes.

Upper: 7050-6820 1 JS/2 ft.
.42 dia, total 116 holes

#32 Acid, Shot, Fracture, Cement Squeeze, etc.

4882-5071 Squeezed through retainer @ 4815 KB as follows: 201 cu ft (170
sks) Class B cement w/ 0.6% fluid loss additive.

7064-7504 Acidized w/ 3000 gal 15% HCL and 200 balls. Frac w/135,754 gal
40# gelled 2% KCL water and 111,500 lbs 20/40 mesh sd. Screened off
leaving 8232 lbs sd in csg.

6820-7050 Acidized w/ 3000 gal 15% HCL and 200 balls. Frac w/ 61,194 gal
40# gelled 2% KCL water. Lost blender before starting sand. Re-fraced
w/71,000 gal 40# gelled 2% KCL & 11,000# 20/40 mesh sd. Screened out w/
9000# in fm. Re-fraced w/ 24,400 gal 40# gelled 2% KCL & screened off w/
4500 # of 20/40 sd in fm. Re-fraced w/ 30,000 gal 50# x-linked 1% KCL &
30,114 gal 30# x-linked 2% KCL water and 25,120 lbs 20/40 mesh sand.
Screened out leaving 7120# sand in casing. Total of fracs in Upper Gallup:
216,708 gal gelled KCL & 31,500# of 20/40 mesh sand.