Form 3 160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

RECEIVED

FORM APPROVED Budget Büreau No. 1004-0135 Expires: March 3 1 ,1993

BUREAU OF L	AND MANAGEMENT	BLM	5. Lease Designation and Seriai No.			
		150 1700	NOOC 14203023			
Do not use this form for proposals to aril	AND REPORTS ON WELLS J or to deepen or reentry to a dif R PERMIT—" for such proposals	terent reaction.	6. If Indian, Allonee or Tribe Name			
	IN TRIPLICA TE	<u> </u>	7. If Unit or CA, Agreement Designation			
1. Type of Well			8. Well Name and No.			
Well Other			Nassau #3E			
2. Name of Operator CONOCO INC CONOCO INC.			9. API Well No.			
			30-045-24961			
 Address and Telephone No. DESTA DR. STE. 100W, MIDLAND 	TX 79705-4500 (915) 686-54	24	10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T. R. M. or Survey Des	eription)		Gallegos Gallup, Basin Dakota			
Section 23	, T-26-N, R-11-W, J		11. County or Parish, State			
1580'	FSL 1700' FEL					
***			San Juan, NM			
CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF	NOTICE, REPOR	RT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
Notice of Intent	Abandonment		Change of Plans			
	Recompletion		New Construction			
Subsequent Repon	Plugging Back		Non-Routine Fracrunng			
sacroquant par	Casing Repair		Water Shut-Off			
Final Abandonment Notice	Altering Casing		Conversion to Injection			
	Other		Dispose Water			
			INole: Reponresuits of multiplecompition on Wdl Completion or Recompletion Report and Log form.)			
Describe Proposed or Completed Operations (Clearly state a give subsurface locations and measured and true vert	lipertinent details, and give pertinent dates, incluical depths for all markers and zones pertinent to	ding estimated date of starting this work.)*	g any proposed work. If well is directionally drilled			

Conoco, Inc proposes to recomplete to the Gallup in this well using the attached procedure.

14. I hereby certify that the foregoing forme and correct	Kay Maddox	(1/23/99
Signed Kay Madax	Title -Regulatory Agent	Date Q J
(This space for Federal District Use) WAYNE TOWNSEND	Cet. En.	Date 7-9-59
Approved by	Title	

BLM(6), NMOCD(1), SHEAR, PONCA, COST ASST, FILE ROOM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its junsdiction.



NASSAU 3E GALLUP RE-COMPLETION AND DHC WITH DAKOTA PROCEDURE

- A. Locate and test deadman anchors. Spot flowback pit (20x20) and prepare. Inform operator of work to be done and time frame. Check for location size and equipment placement. Identify any hazards (power lines, H2S, tight equipment fits).

 Have pressure gauges on both casing and tubing when necessary (during acid, frac, testing).
- 1. Hold Safety Meeting. MI and RU workover rig. Bleed off any pressure.
- 2. ND tree and NU BOP's . POOH w/195 jts. 1.9" tubing. NOTE: Look for scale on tbg.
- 3. RU wireline and run gauge ring for 4 ½" csg. to 6130'. POOH. RIH with CBL and log from 6000' to 5000'. POOH. PU and RIH w/EZ drill BP and set at 6120'.
- 4. Load hole and pressure test csg to 3000 psi. If csg does not hold, squeeze.
- 5. RIH w/3-1/8",HSC select fire w/11 gram charges, with .32" hole size and perforate 5404'-5428' 1 SPF, and 5345'-5353' 1 SPF the Gallup formation correlating to the Welex Compensated Density Log dated 4-4-81 log. RD wireline.
- 6. RIH w/4-1/2" packer on 2-3/8" tubing. Set packer @ 5300'. Pressure test backside to 500 psi.
- 7. RU BJ and acidize Gallup formation per BJ procedure with 800 gals of 15% HCL acid with 48 ball sealers. Record pressures, release packer and run packer thru perfs and knock balls off. POOH.
- 8. Prepare to frac well down 4-1/2" casing per BJ procedure. RD BJ.
- 9. Flow well back until cleaned up.
- 10. RIH and clean out and drill up EZ drill BP, and clean out to PBTD 6,314'.POOH.
- 11. RIH with 2-3/8" production tbg to 6142'.
- 12. Install plunger lift and put well on production.

NASSAU 3E GALLUP RE-COMPLETION AND DHC WITH DAKOTA PROCEDURE API 30-045-24961

JUSTIFICATION: Funds in the amount of \$100,000 are requested to recomplete the Gallup in the Nassau #3E and downhole commingle with current Dakota production. The Nassau #3E, located in the NWSE of Sec 23, was spud March 1981 and completed as a Dakota single in May 1981. Cumulative production from the Dakata as of Dec 31, 1998 is 559 MMcf and 4488 BBI condensate. The well is currently shut-in with a possible casing leak. Prior to being shut-in in March 1996, the well was producing 114 Mcfd, 1 BOPD and 0.5 BWPD.

A productive Gallup bench trends generally northwest to southeast through the Nassau #3E location. The Gallup has produced 365 MMcf and 10,800 BBIs of condensate from the Nassau #3 located in SWNE of Sec 23. Current production from the #3 is 100 Mcfd and 2 BOPD. The Davis Federal #1 located in NWSW of Sec 24 has produced 2,169 MMcf and 10,040 BBI condensate and is currently producing 200 Mcfd and 0.5 BOPD. Well logs indicate similar sand development and quality in the Nassau #3E location. Reserves were determined volumetrically assuming drainage has occurred at the #3E location due to offset production. Current reservoir pressure at the #3E location is estimated to be 500 psia, 700 psia down from the original 1200 psia. Based on 50' net pay, reserves are estimated at 354 MMcf and 7 MBO. Initial production is expected to stabilize at 75 Mcfd and 1.5 BOPD.

Conoco will have 100% WI (77% NRI) in the Gallup recomplete. Based on the current price forecast and \$2,400/yr additional operating cost the project provides a NPV of 115 M\$, 2.15 PI, and 29.3 ROR.

WELL INFORMATION:

Current Status:

Shut-in, Dakota

Last Action To Well:

Shut-in

Location:

1580' FSL & 1700' FEL, Sec. 23-T26N, R11W, San Juan County, NM

TD:

6.400'

PBTD:

6,314'(Cement Plug)

GLE:

6,309'

KBE:

6,309

TOC:

4.000

100.

4,289'

Casing Specifications:

Pipe	Depth (ft)	Drift ID (inches)	Collapse 80% (psi)	Burst 80% (psi)	Capacity) (bbl/ft)	
8-5/8*, 24.0#	219	7.972	1100	2360	.0636	
4-1/2", 10.5#	6398	3.972	3210	3830	.0159	

Tubing Specifications:

Pipe	Depth	Drift ID	Collapse	Burst	Capacity
	(ft)	(inches)	80% (psi)	80% (psi)	(bbl/ft)
1-9", 2.9, J-55, EUE 10rd	6196	1.516	6200	5880	.00252

RESERVOIR INFORMATION:

Current Perforations:

6142',6144',6184',6188',6190',6192',6194',6196',6198',6200',6204',6206',6242',6256',6258',6260',6262',6264',6272',6274',6276'

NOTE: ALL PERFS ARE 1 SPF

District I PO Box 1980, Hobbs. NM 88241-198 State of New Mexico Energy, Minerals & Natural Resources Department

District II PO Drawer DD, Artesia, NM 88211-071 District III 1000 Rio Brazos Rd. Aztec, NM 8741

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

Revised February 21, 1994 instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

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AMENDED	REPORT

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		WE	LL LO	CATION	N AND A	CR	EAGE DEDI	CATION PI	 .AT		NEED REF	
WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 2 Pool Code 3 Pool Name												
30-	-045-2490	51		26980		Gallegos Gallup						
4 Property	Code				5 Pro	pert	y Name	<u> </u>		6 W	ell Number	
16058					N	assau	u	#3E				
7 OGRID No								levation				
00507	3	Cond	co Inc.,	10 Desta	Drive, Ste	9. 10	0W, Midland, T	X 79705-4500)			
					10 Surf	ace	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from t	he	North/South line	Feet from the	East/We	st line	County	
J	23	26N	11W		1580'		South	1700'	Ea	nst	San Juar	
			11 Bo	ttom Ho	le Location	on I	f Different Fro	om Surface			_ Our sum	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from ti		North/South line	Feet from the	East/We	st line	County	
Dedicated Acres	s 13 Join	t or Infil 14	Consolidati	on Code 15	Order No.	•					<u> </u>	
320	<u></u>			-								
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		OR A	NON-ST	ANDARD	UNIT HA	S BE	EN APPROVED	BY THE DIVI	SION			
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Certificate Number