



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://emnr.state.nm.us/ocd/District III/3distric.htm](http://emnr.state.nm.us/ocd/District%20III/3distric.htm)

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

June 11, 1999

Ms Kay Maddox
Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500

Re: San Juan 28-7 #186, K-13-28N-07W, API # 30-039-20644
Application For Tubingless Exception To Rule 107

Dear Ms Maddox:

Your request to pull tubing in the referenced well and install a casing plunger is hereby granted. This action may produce gas and lift oil and water more efficiently that could result in the recovery of additional reserves. If the plunger is removed after installation, tubing must be re-run before the well is allowed to produce.

If you have any questions, please contact this office.

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

Xc: Roy Johnson-Santa Fe
Well File

2017156-1121



Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

May 25, 1999

Mr. Ernie Busch
New Mexico Oil Conservation Division – Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: Application for Tubingless Exception to Rule 107

San Juan 28-7 # 186
API # 30-039-20644
Section 13, T-28-N, R-7-W, K

Nickson # 13
API # 30-045-20168
Section 26, T-26-N, R-8-W, M

Nickson # 16
API # 30-045-20183
Section 35, T-26-N, R-8-W, O

RECEIVED
MAY 28 1999
OIL CON. DIV.
DIST. 3

Dear Mr. Busch,

An exception to Rule 107, requiring the above listed wells to be produced with tubing, is requested. It is believed that producing the well tubingless will increase the producing rate efficiency and maximize recovery from this well. The purpose for removing the tubing from this well is to allow the use of the new innovative casing plunger that allows continuous gas flow while at the same time automatically lifting produced oil and water volumes.

Whereas requests and application for tubingless completions have typically been for newer, high rate gas wells in an effort to reduce the flow restrictions of tubing, these three wells are marginal low rate producers whose production has been restricted by fluid loading. Due to overloading and downtime the referenced wells are not producing at their maximum ability.

The discovery of the new innovative casing plunger seems to offer a more efficient producing solution. Conoco, Inc. was granted permission to use this tool on the Ohio #1 By Order TX 278 dated 12/15/97. This new innovative approach (to the San Juan) for increasing the producing efficiency and ultimate recovery of mature depleted gas wells has been extremely successful as evidenced in the Ohio #1.



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To configure the wellbores for use with the casing plungers the production tubing will be removed and the casing pressure tested for leaks and drift. A casing scraper will be used to clean out the interior casing surface and then re-pressure tested.

A downhole collar stop and casing plunger catcher will be installed in the first collar above the top perforation (refer to wellbore schematic). At the surface, the wellhead will be configured with a plunger catcher and a bypass with an automated controller. The plunger is automatically dropped when a fluid loading problem is detected by the surface controller while allowing continuous gas flow through its internal bypass valve.

Conoco, Inc. requests that they be granted an exception to Rule 107 for the above referenced wells to continue this tubingless operation to fully optimize and economically produce the three mature and depleted Dakota gas wells. If there are additional questions regarding this application please call me at (915) 686-5798.

Sincerely yours,

A handwritten signature in black ink that reads "Kay Maddox". The signature is written in a cursive, flowing style.

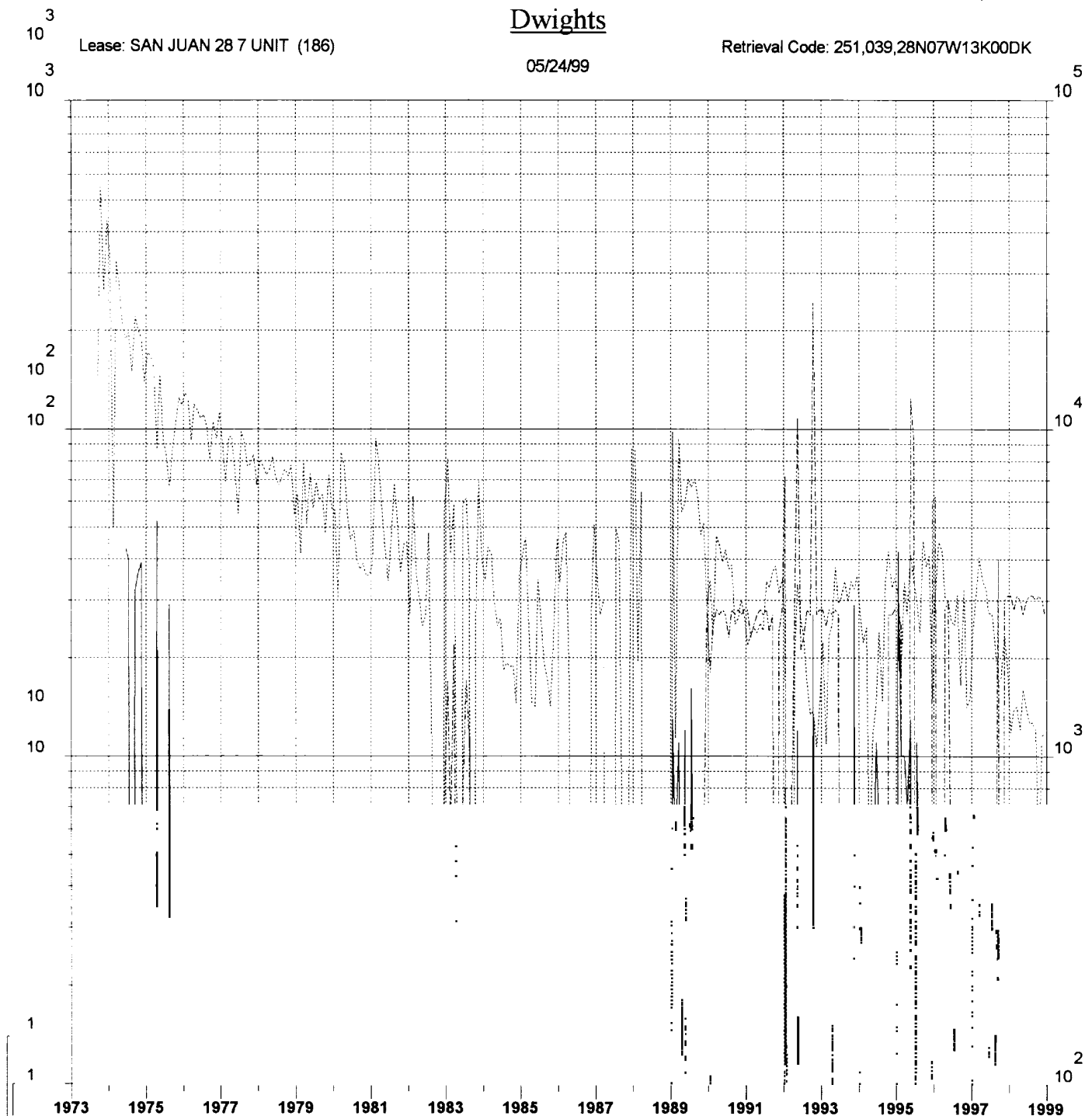
Kay Maddox
Regulatory Agent – Conoco, Inc.

Dwights

Lease: SAN JUAN 28 7 UNIT (186)

Retrieval Code: 251,039,28N07W13K00DK

05/24/99



Oil (bbl/mo)

County: RIO ARRIBA, NM

F.P. Date: 09/73

Gas (mcf/mo)

Water (bbl/mo)

Field: BASIN (DAKOTA) DK

Oil Cum: 622 bbl

Reservoir: DAKOTA

Gas Cum: 1597 mmcf

Operator: CONOCO INC

Location: 13K 28N 7W

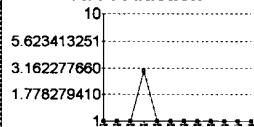
Lease: SAN JUAN 28 7 UNIT
 Field: BASIN (DAKOTA) DK
 Operator: CONOCO INC
 RCi #: 251,039,28N07W13K00DK
 API #: 30-039-20644-00

Well #: 186
 Location: 13K 28N 7W
 Liquid Cum: 622 bbls
 Gas Cum: 1,597,171 mcf
 Status: ACT GAS

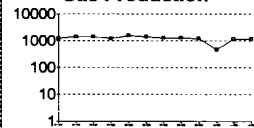
FP Date: 73-09
 LP Date: 98-12
 Liq Since: FPDATE
 Gas Since: FPDATE

DATE	OIL, BBLs	GAS, MCF	WATER, BBLs	WELLS
01/1998	0	1,184	31	1
02/1998	0	1,395	28	1
03/1998	0	1,420	31	1
04/1998	3	1,214	30	1
05/1998	0	1,598	27	1
06/1998	0	1,401	30	1
07/1998	0	1,263	31	1
08/1998	0	1,272	31	1
09/1998	0	1,195	30	1
10/1998	0	467	31	1
11/1998	0	1,156	30	1
12/1998	0	1,182	27	1
Total	3	14,747	357	

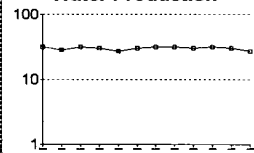
Oil Production

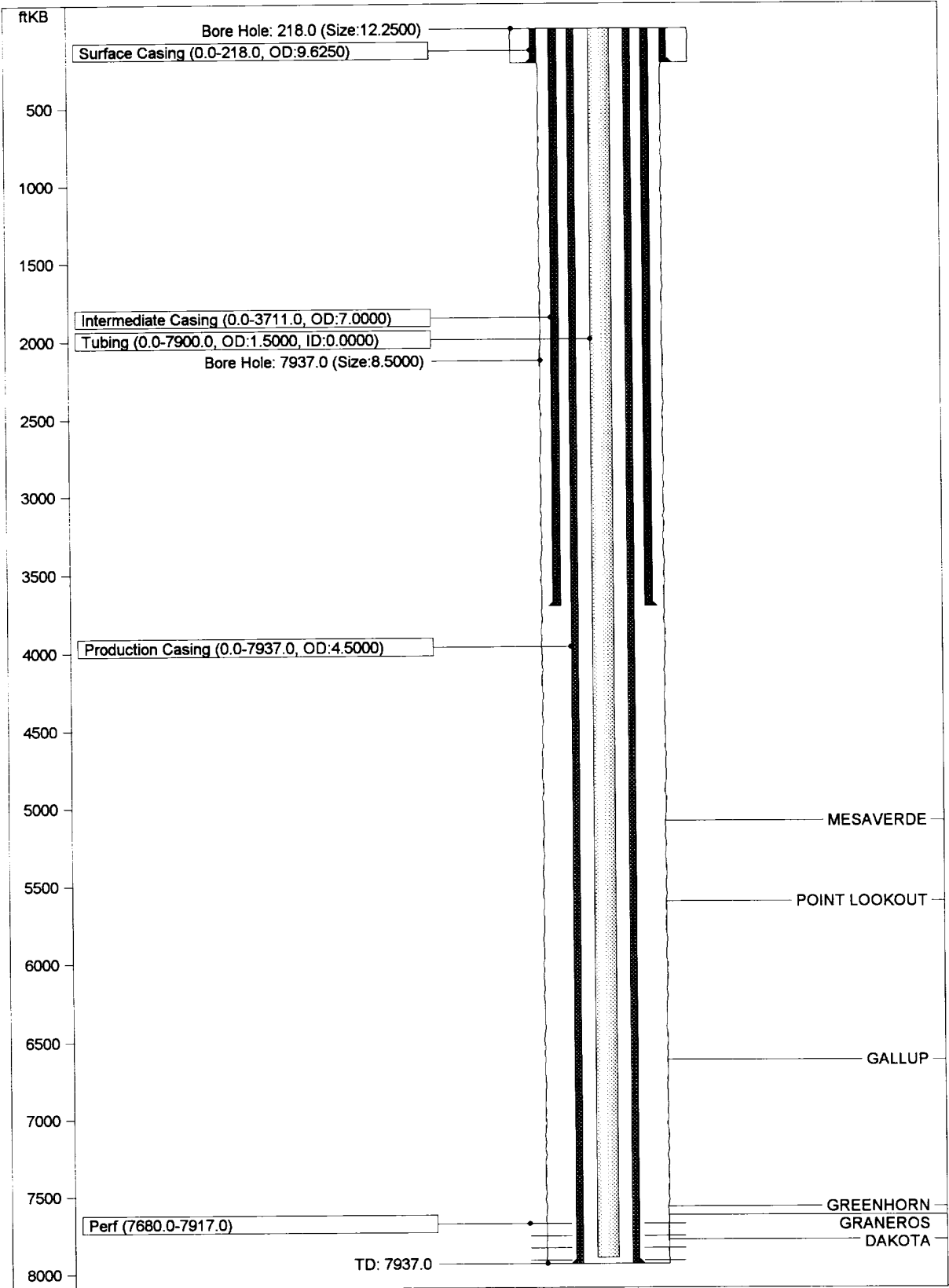


Gas Production

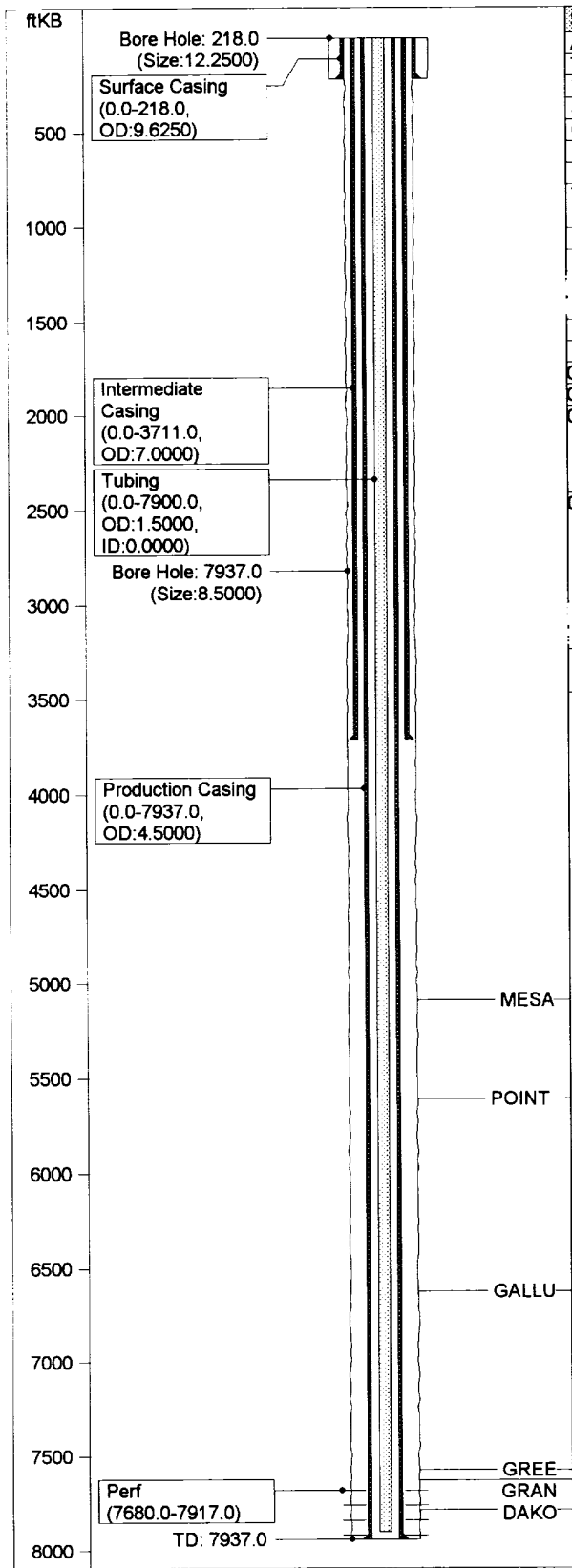


Water Production





SAN JUAN 28-7 UNIT 186 (HES 5/1/98)



SAN JUAN 28-7 UNIT 186 (HES 5/1/98)			
API Code	300392064400	Field Code	676383130
TD	7937.0 ftKB	Basin	SAN JUAN BASIN
PBTD	7937.0 ftKB	Basin Code	580
State	NEW MEXICO	Permit	07-Jun-73
County	RIO ARriba	Spud	21-Jun-73
District		Finish Drl	
Permit No.		Completion	17-Aug-73
TD	7937	Abandon	
Measured			
Reservoir			
Field	BASIN DK		

Event History

Date	Event	Description
1-May-9	Comp/WO	TAG & TEST, Gen. Maint & Repair
7-Aug-7	Log	FDC-GR IGR TS, 0.0 - 7937.0ftKB
07-Jun-73	Tub Run	1.5000 in Tubing, ID: 0.0000in
07-Jun-73	Perf	7680.0 - 7917.0ftKB, 13.1/ft
07-Jun-73	Cas Run	4.5000 in Production Casing, ID: 0.0000in, 7.0000 in Intermediate Casing, ID: 0.0000in, 9.6250 in Surface Casing, ID: 0.0000in
07-Jun-73	Note	** Initial Potential: F 5353 MCFGPD ON 3/4 CK, CP 2799 TP 2756, ** Drilling Journal: 5/12/92 (CHNGD WELL NAME FROM SAN JUAN #28-7 U),. ** General Notes:

Events Without Dates

Event	Description
Bore Hole	12.2500in, Depth 218.0ftKB, 5.8750in, Depth 793.0ftKB, 8.5000in, Depth 7937.0ftKB

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District		Finish Dri	
Permit No.		Completion	17-Aug-73
TD Measured	7937	Abandon	
Reservoir			
Field	BASIN DK		

Location

Meridian	NM	Top Latitude	36.65822
Township	28	Top Longitude	107.5281
Range	7	Top NS Distance	1.5 ft S
Section	13	Top EW Distance	1.5 ft W
Quarter	SW NE SW	Bottom Latitude	0
		Bottom Longitude	0
		Btm NS Distance	0.0 ft
		Btm EW Distance	0.0 ft

Elevations

KB	6677.0 ft	Cas Flng	6677.0 ft
Grd	6677.0 ft	Tub Head	6677.0 ft
KB-Grd	0.0 ft		

Bore Hole Data

Depth (ftKB)	Size (in)
218.0	12.2500
793.0	5.8750
7937.0	8.5000

Casing String - Surface Casing

Item (in)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd	Comments
9 6250 in Surface Casing	218.0		0.0000	0.00			9 5/8 @ 218

Casing String - Intermediate Casing

Item (in)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd	Comments
7 0000 in Intermediate Casing	3711.0		0.0000	0.00			7 @ 3711

Casing String - Production Casing

Item (in)	Btm (ftKB)	Jnts	ID	Wt	Grd	Thd	Comments
4 5000 in Production Casing	7937.0		0.0000	0.00			4 1/2 @ 793

Perforations

Date	Int	Shots (/ft)	Type	Comments
07-Jun-73	7680.0 - 7917.0	13.1		Formation: DAKOTA W/1 SPZ - FRAC W/64000 LB SD 66444 GAL W

Tubing String - Tubing

Item (in)	Top (ftKB)	Len (ft)	Jnts	ID (in)	Wt	Grd	Thd	Comments
1 5000 in Tubing	0.0	7900.0		0.0000	0.00			1 1/2 @ 7900'

Completions & Workovers

Date	Reason for Workover	Reason for Failure	Summary
01-May-98	TAG & TEST	Gen. Maint & Repair	TAG & TEST -

Formation/Horizon Tops

Top (ftKB)	Formation
5092.0	MESAVERDE
5608.0	POINT LOOKOUT
6625.0	GALLUP
7572.0	GREENHORN
7628.0	GRANEROS
7784.0	DAKOTA

SAN JUAN 28-7 UNIT 186 (HES 5/1/98)

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API Code	300392064400	Field Code	676383130
TD	7937.0 ftKB	Basin	SAN JUAN BASIN
PBTD	7937.0 ftKB	Basin Code	580
State	NEW MEXICO	Permit	07-Jun-73
County	RIO ARRIBA	Spud	21-Jun-73
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Permit No.		Completion	17-Aug-73
TD Measured	7937	Abandon	
Reservoir			
Field	BASIN DK		

Event History

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01-May-98	Comp/WVO	TAG & TEST, Gen. Maint & Repair
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