FORM 470 2-57

PAN AMERICAN PETROLEUM CORPORATION

Box 480, Farmington, New Mexico
July 29, 1960

File: B-2274-501.77 x 400.1

Subject: 1960 Deliverability Test
C. A. McAdams No. 2
Fulcher Kutz-Pictured Cliffs Field
San Juan County, New Mexico

Mr. E. C. Arnold (2)
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

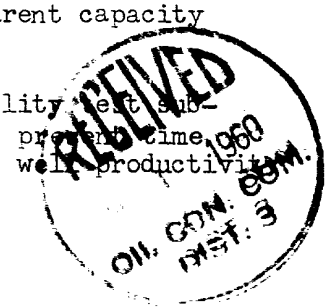
Dear Sir:

Please refer to our letter of July 26, 1960, File: B-2271-501.77, wherein we transmitted the 1960 deliverability test for the C. A. McAdams No. 2 in the Fulcher Kutz Pictured Cliffs Field, San Juan County, New Mexico.

Attached is a summary of deliverability test and production data on the C. A. McAdams No. 2. As can be seen, the 1959 deliverability test for this well was abnormally low due to a very high average line pressure during the flow period which limited the production to below normal rates and prevented proper unloading of produced fluids from the well bore. During the 1960 deliverability test, the gas pipeline pressure was normal and it was possible to unload produced fluids and obtain a representative flow rate as compared to the daily average production rates tabulated for 1960. Consequently, the 1960 calculated deliverability is representative of well capacity.

The 1959 deliverability test has resulted in assignment of very low allowables to the C. A. McAdams No. 2, and the well is overproduced by 5159 MCF although it has been held to 74 producing days for the first five months of the present proration period. Therefore, the well will enter the next proration period with a considerable surplus of production and will need to be shut in for prolonged periods in order to balance production against allowables. We believe that the present allowables assigned to the C. A. McAdams No. 2 are abnormally low as a result of the 1959 deliverability test in view of the apparent capacity of the well.

We respectfully request that the 1960 deliverability test submitted for the C. A. McAdams No. 2 become effective at the present time, as we believe that this test is more representative of the well productivity.



than the 1959 deliverability test. By making the 1960 test effective immediately, this would increase present and future allowables and allow us to reduce the overproduction status of the well without prolonged shut-in periods.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

L. O. Speer, Jr.
Area Superintendent

FHH:hh

Attach.

Fulcher Kutz-Pictured Cliffs
C. A. McAdams No. 2

Deliverability Test Data

Date Test Submitted	Average Flowing Casing Pressure (Psia)	Shut-in Casing Pressure (Psia)	Flow Rate - Q (MCFPD)	Deliverability - D (MCFPD)
9-25-53	166	392	232	--
10-30-54	166	358	185	178
10-12-55	182	308	172	194
11-21-56	228	329	57	78
9-18-57	202	328	132	155
4-15-58	211	317	86	111
8-27-59	255	302	12	27
7-25-60	203	309	119	150

Fulcher Kutz-Pictured Cliffs
C. A. McAdams No. 2

Production Summary

Date	Allowable For Month (MCF)	Production For Month (MCF)	Cumulative Runs (MCF)	Cumulative Overage + or Underage - (MCF)	Previous Underage To Be Made Up By End Of Balancing Month (MCF)	Underproduced (MCF)	Overproduced (MCF)	Number of Days Produced	Average Production (MCFPD)
1959									
January	2209	1858	6866	-351	-4057	-1825		23	81
						- 712 Redistribution			
						-2537			
February	1507	3207	3207	1700	1700	- 837		28	115
March	1938	1350	4557	-588	1112	-1425		15	90
April	1553	40	4597	-1513	-401	-2938		3	--
May	1262	1956	6553	694	293	-2244		26	75
June	1006	794	7347	-212	81	-2456		28	28
July	896	251	7598	-645	-564	-3101		11	23
						- 143 Cumulative Lost			
						-2958			
						- 595 Redistribution			
						-3553			
August	1139	2540	2540	1401	1401	-2152		30	85
September	903	2318	4858	1415	2816	- 737		30	77
October	1042	2802	7660	1760	4576		1023	31	90
November	1782	2593	10253	811	5387		1834	30	86
December	1662	266	10519	-1396	3991		438	2	--
January 1960	1251	1678	12197	427	4418		865	14	120
							-537 Redistribution		
							328		
1960									
February	629	2595	2595	1966	1966		2294	29	89
March	750	1645	4240	895	2861		3189	20	82
April	619	221	4461	-398	2463		2791	1	--
May	498	246	4707	-252	2211		2539	1	--
June	287	2907	7614	2620	4831		5159	23	126
July	342								