

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

August 24, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Peggy Bradfield

RECEIVED
SEP -1 1993
OIL CON. DIV
DIST. 3

Administrative Order NSL-3300

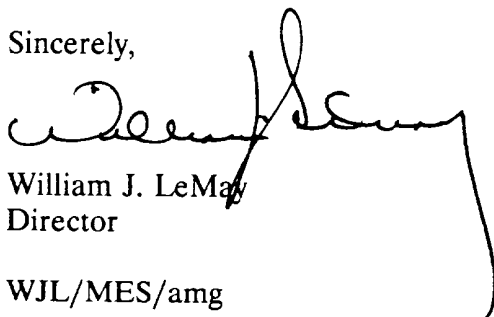
Dear Ms. Bradfield:

Reference is made to your application dated July 22, 1993, for a non-standard Basin-Fruitland coal gas well location for your existing Hanks Well No. 16E which was drilled in June 1982 and completed in the Basin Dakota Pool at a standard gas well location 1520 feet from the North line and 1725 feet from the West line (Unit F) of Section 6, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Dakota zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, as amended, is unorthodox. Further, Lots 6, 7, 10, 11, 12 and 13 and the E/2 SW/4 (W/2 equivalent) of said Section 6 shall be dedicated to the well forming a standard 349.33-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 8-3-93

Alfred Mike Hogan

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____
Proposed NSL / _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 7-23-93
for the Mission Oil Inc. Hunter #166
OPERATOR LEASE & WELL NO.

F-6-27M-200 and my recommendations are as follows:
UL-S-T-R

Approved

Yours truly,

Ernie B. Burt

MERIDIAN OIL

July 22, 1993

Federal Express

Mr. William LeMay
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

RECEIVED
JUL 23 1993
OIL CON. DIV.
DIST. 3

Re: Hanks #16E
1520'FNL, 1725'FWL
Section 6, T-27-N, R-9-W, San Juan County, NM

Dear Mr. LeMay:

This is a request for administrative approval for a non-standard gas well location in the Basin Fruitland Coal Pool.

Southland intends to plugback and recomplete the Hanks #16E from the Basin Dakota to the Basin Fruitland Coal Pool. The current location of this well is considered non-standard due to the NE-SW dedicated pattern established for the Basin Fruitland Coal pool. To comply with the New Mexico Oil Conservation Division rules, Southland is submitting the following for your approval of this non-standard location:

1. C-102 plat showing location of the well;
2. Plat showing offset owners/operators;
3. Affidavit of notification of offset owners/operators;
4. Copy of Well Completion Log for original completion.

A copy of this application is being submitted to all offset owners/operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Sincerely yours,



Peggy Bradfield
Regulatory/Compliance Representative

WAIVER

_____ hereby waives objection to
Southland Royalty's application for non-standard location
for the Hanks #16E as proposed above.

By: _____ Date: _____

xc: McKenzie Methane Corp

All dis. must be from the outer boundaries of the Section

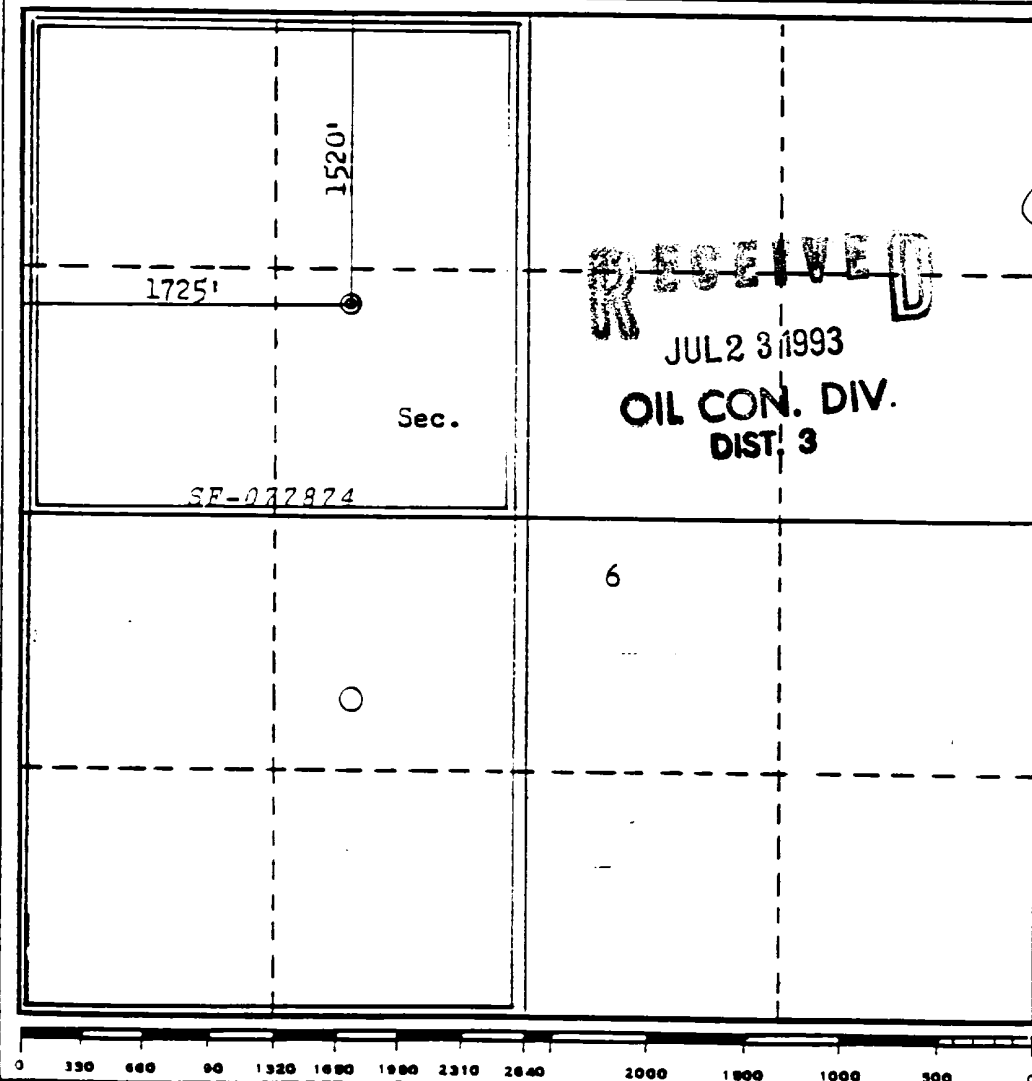
Operator SOUTHLAND ROYALTY COMPANY			Lessor HANKS		Well No. 16E
Unit Letter F	Section 6	Township 27N	Range 7W	County San Juan	
Actual Footage Location of Well: 1520 feet from the North line and 1725 feet from the West line					
Ground Level Elev. 6350	Producing Formation Fruitland Coal		Pool Basin		Dedicated Acreage 32C

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Peggy Bradfield
Name
Regulatory Representative

Position
Peggy Bradfield

Company
Southland Royalty Company

Date
July 22, 1993

I hereby certify that the well location shown on this plat was plotted from the notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

January 1993

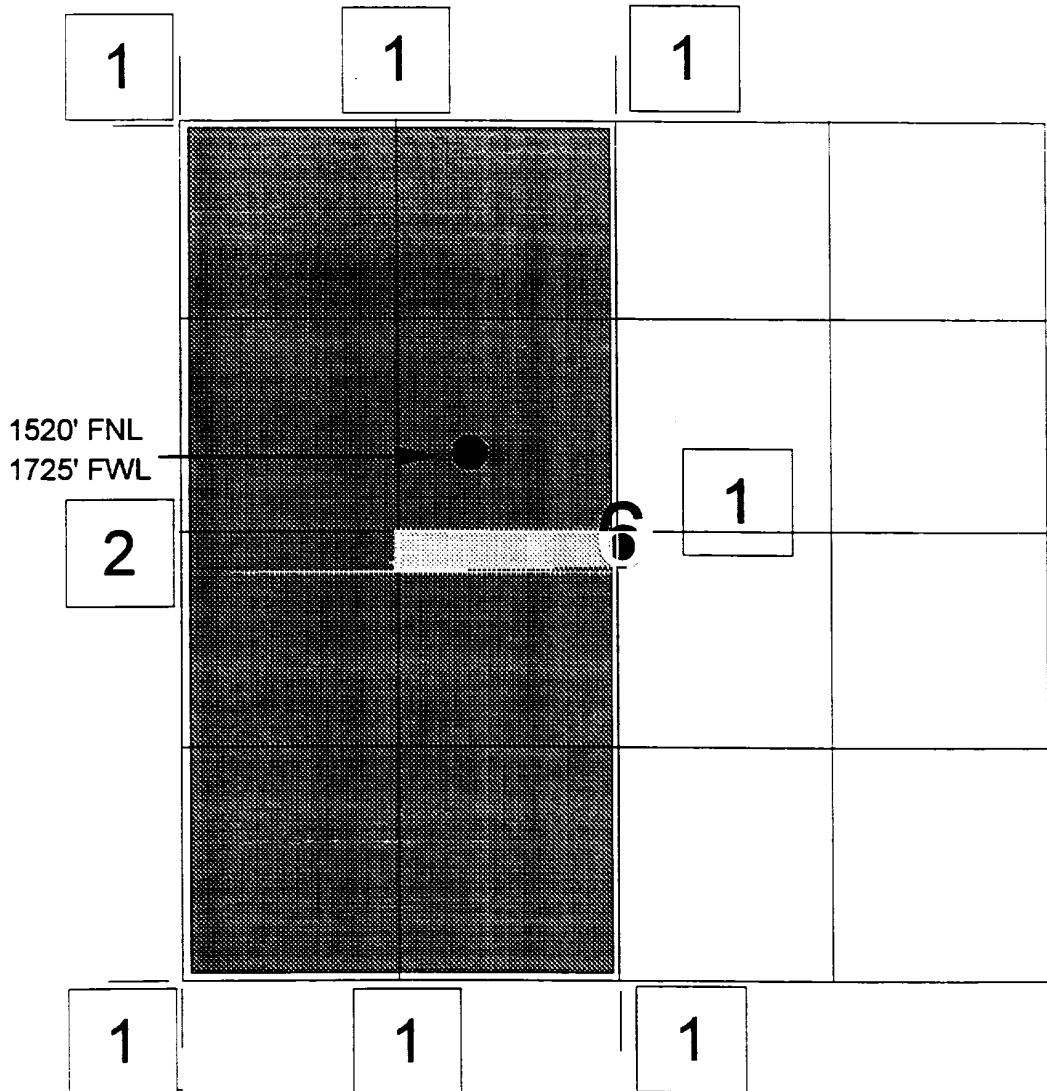
Registered Professional Engineer and/or Land Surveyor

Fred E. Kere Jr.
Fred E. Kere Jr.

Certificate No.
3950

MERIDIAN OIL INC.

OFFSET OPERATOR\OWNER PLAT
Non-Standard Fruitland Coal Well Location
Hanks #16E
Township 27 North, Range 9 West
San Juan County, New Mexico



1) Meridian Oil Inc., P.O. Box 4289, Farmington, New Mexico 87499-4289.

2) McKenzie Methane Corp., 1625 Broadway, Suite 2580, Denver, Colorado 80201.

Meridian Oil Inc., P.O. Box 4289, Farmington, New Mexico 87499-4289.

MERIDIAN OIL

July 22, 1993

Hanks #16E
1520'FNL, 1725'FWL
Section 6, T-27-N, R-9-W
San Juan County, New Mexico

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard gas well location for the plugback and recompletion of the above well.

McKenzie Methane Corp
1625 Broadway, Suite 2580
Denver, CO 80201



Peggy Bradford
Notary Public
San Juan County, New Mexico

My commission expires August 17, 1996.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other RECEIVEDb. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESER. ☐ Other SEP 2 1982

2. NAME OF OPERATOR

Southland Royalty Company

FARMINGTON DISTRICT

3. ADDRESS OF OPERATOR

P.O. Drawer 570, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface 1520' FNL & 1725' FWLAt top prod. interval reported belowAt total depth

14. PERMIT NO.

DATE ISSUED

FARMINGTON

RECEIVED
AUG 23 1982

5. LEASE DESIGNATION AND SERIAL NO.

SF-077874

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. TERM OR LEASE NAME

Hinks

9. WELL NO.

16E

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Section 6, T27N, R9W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

15. DATE SPUDDED

16. DATE T.D. REACHED

17. DATE COMPL. (Ready to prod.)

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)

19. ELEV. CASINGHEAD

6-8-826-20-827-17-826362' KB6350' GL

20. TOTAL DEPTH, MD & TVD

21. PLUG, BACK T.D., MD & TVD

22. IF MULTIPLE COMPL., HOW MANY?

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

7000'6938'0-7000'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

25. WAS DIRECTIONAL SURVEY MADE

6802'-6961' (Dakota)Deviation

26. TYPE ELECTRIC AND OTHER LOGS RUN

Induction, CDL and CBL

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	217'	12-1/4"	** SEE OTHER SIDE FOR CEMENT REPORT**	
5-1/2"	17#	6997'	7-7/8"		

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
---	---	---	---	---	2-3/8"	6893'	---

31. PERFORATION RECORD (Interval, size and number)

Dakota: 7 holes.6802', 6807', 6813', 6858', 6876', 6955', 6961'.

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6802'-6961'	Frac'd with 12,000 gals 30# gell. wtr pad, 40,700 gals 30# gelled water with 1 PPG 20/40 sd.

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
8-18-82		Flowing				Shut-In	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
8-18-82	3	3/4"	→	---	47	---	---
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
21	462	→	---	380	---	---	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

To be sold

TEST WITNESSED BY

Steve Kellenaers

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

C. L. Parsons

TITLE

Dist. Production Manager

DATE

August 20, 1982

*(See Instructions and Spaces for Additional Data on Reverse Side)

ACCEPTED FOR RECORD

AUG 30 1982

OPERATOR

FARMINGTON DISTRICT