

OIL CONSERVATION COMMISSION

Capitola DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 9-22-76

RE: Proposed MC
Proposed DHC
Proposed NSL ✓✓✓
Proposed SWD
Proposed WFX
Proposed PMX

Jim Capitola

Gentlemen:

I have examined the application dated 9-20-76
for the Energy Resources Group, Inc., Gallager Canyon Unit wells
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

105 810/S, 600/E 12-28N-13W
122 605/N, 535/W 18-28N-12W
131 660/N, 780/W 17-28N-12W
251 660/N, 2260/W 24-28N-12W

Approve

Yours very truly,

AR Kendrick

Energy Reserves Group, Inc.
P.O. Box 3280
Casper, Wyoming 82601
Phone 307 265 7331



Energy Reserves Group

September 20, 1976

New Mexico Oil Conservation Commission
Box 2088
Sante Fe, New Mexico 87501
Attn: Mr. Joe D. Ramey
State Petroleum Engineer

Gentlemen:

Attached are U.S.G.S. Sundry Notices to re-enter the following five (5) Gallegos Canyon Unit wells, Nos. 87, 105, 122, 131, and 251. All five (5) wells were initially drilled and completed in the Gallup formation as oil wells and were subsequently plugged with all the casing left in the well.

It is proposed to re-enter these five (5) wells and re-complete them in the Pictured Cliffs formation as gas wells. Well No. 87 is the only well which conforms to the correct spacing for a 160 acre gas well. Since the other four (4) wells were originally drilled on the correct spacing for oil wells, your approval of the re-entry and re-completion of these wells as Pictured Cliffs gas wells is solicited under Rule No. 104-F of the New Mexico Rules and Regulations.

Three of the four wells not on gas well spacing (105, 122 and 131) are completely contained within the Gallegos Canyon Unit - Pictured Cliffs. The operator offsetting the fourth well -#251- is being notified as per the attached letter.

Very truly yours,

Dean B. Barnes

Dean B. Barnes
District Production Engineer
Rocky Mountain District

DBB:kp

cc: Mr. A. R. Kendrick, Supervisor
1000 Rio Brazos Road
Aztec, New Mexico 87410

U.S.G.S.
Farmington, New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)Form approved.
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> Re-entry		5. LEASE DESIGNATION AND SERIAL NO. SF-078106
2. NAME OF OPERATOR Energy Reserves Group, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P. O. Box 3280, Casper, Wyoming 82602		7. UNIT AGREEMENT NAME Gallegos Canyon Unit-PC
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 660' FNL, 780' FWL (SE NW NW)		8. FARM OR LEASE NAME
14. PERMIT NO.		9. WELL NO. 131
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5792' GRD		10. FIELD AND POOL, OR WILDCAT Kutz West Pictured Cliffs
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 17-T28N-R12W
		12. COUNTY OR PARISH San Juan
		13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

Re-enter P & A Well

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

This well was drilled and completed in the Gallup formation in 1963. A DV cementing tool was set at 1850' and 100 sacks of cement were circulated across the Pictured Cliffs interval. The well was plugged in May, 1967, leaving all the casing in the hole.

It is proposed to re-enter this well and drill out any necessary cement plugs to 1750'+. A drillable bridge plug will be set at 1730'+ and the Pictured Cliffs formation perforated, tested and, if commercial, put on production.



18. I hereby certify that the foregoing is true and correct

SIGNED

Alan B. Bauer

TITLE

District Production Engineer

Rocky Mountain District

DATE September 20, 1976

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY: