



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 4, 2001

Koch Exploration Company
20 Greenway Plaza
Houston, Texas 77046-2002



Attention: Lance F. Harmon

Re: Administrative application requesting an exception to the well location requirements provided within the "Special Rules for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-10987-A, for a non-standard Blanco-Mesaverde infill gas well location in an existing standard 315.15-acre lay-down gas spacing and proration unit ("GPU") for the Blanco-Mesaverde Pool comprising Lots 1, 2, 3, 4, and 5, the W/2 NW/4, and SE/4 NW/4 (N/2 equivalent) of Section 20, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, for the existing Carle Well No. 2-B (API No. 30-045-30369) located at an unorthodox infill gas well location 1885 feet from the North line and 632 feet from the East line (Lot 5/Unit H) of Section 20.

Dear Mr. Harmon:

In preparing an order for the subject application, in which the existing 315.15-acre gas spacing and proration unit will be described and its well dedications are to be referenced, I am confused about the location of the Carle Well No. 1-B (API No. 30-045-30382) located in the SW/4 NW/4 (Unit E) of Section 20. Is this well located at a standard Blanco-Mesaverde infill gas well location **1955 feet from the North line** and 930 feet from the West line of Section 20 or at an unorthodox infill gas well location that is **1995 feet from the North line** and 930 feet from the West line of Section 20. If this well is unorthodox please provide me with a copy of the Division's authorization for the location exception.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobos, NM 88240

District II

811 South First, Artesi, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.

30-045-30382

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

NM-03886

7. Lease Name or Unit Agreement Name:

Carle

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" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Koch Exploration Company

(505) 334-9111

8. Well No. 1B

3. Address of Operator

P.O. Box 489, Aztec, NM 87410

9. Pool name or Wildcat

Blanco Mesa Verde

4. Well Location

Unit Letter E : ~~1995~~ feet from the North line and 930 feet from the West line

Section 20

Township 30N

Range 11W

NMPM

County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

5670' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Squeeze off wet zone in existing perms ☒

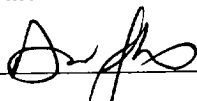
12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Well was still making a lot of water causing well not to flow due to water. Ran a packer and plug and tested each zone. Determined that water was coming from the Cliff House formation 3614' - 3957'. Water in the Cliffhouse proved to be an extremely wet zone with water that is not normal or native to the MV formation (blackish smelly water, we think due to proximity of injection wells in area). On May 1, 2001 set plug @ 3975' and cement retainer @ 3584'. Squeezed with 104 sacks Class B cement yield 1.18, 15.6#, with 2% CaCl2. WOC overnight. Tagged cement @ 3584' and drilled to 3730'. Squeezed perms @ 3614', 3637', 3646', 3678', 3680', 3682, 3684', 3690', 3693', 3705', 3709', 3711', and 3729', for a total of 13 perms. Pressure tested with packer @ 3584' to 2000# with very little bleed off. Cleaned out well to PBTD of 4804'. Perforated again over existing perms with .36" holes and 2 spf @ 4331, 34, 93, 95, 4401, 06, 13, 29, 36, 58, 70, 73, 4502, 11, 23, 29, 39, & 41. Ran 2 3/8" tubing and landed @ 4589' KB with 1.78" SN @ 4557' KB.

Put well back on line May 9, 2001.

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

SIGNATURE



TITLE

Operations Manager

DATE 5/11/01

Type or print name

Donald Johnson

Telephone No. 505-334-9111

(This space for State use)

APPROVED BY



TITLE

DEPUTY OIL & GAS INSPECTOR

DATE

MAY 14 2001

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Koch Exploration Company P.O. Box 489 Aztec, New Mexico 87410		² OGRID Number 12807
³ Property Code 56 56		⁴ API Number 30-045-30382
⁵ Property Name Carle		⁶ Well No 1B

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	20	30N	11W		995'	North	930'	West	San Juan

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 Blanco Mesa Verde						¹⁰ Proposed Pool 2			

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5,670' GR
¹⁶ Multiple N	¹⁷ Proposed Depth 4,800' MD	¹⁸ Formation Mesa Verde	¹⁹ Contractor	²⁰ Spud Date Upon Approval

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8" J-55	36#	220' +/-	130	Surface
8 3/4"	7" J-55	23#	2,400' +/-	295	Surface
6 1/4"	4 1/2" J-55	10.5#	2,300' - 4,800'	240	2300'

- 22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.
1. Set new or tested 9-5/8" J-55 36# casing @ 220' +/- . Cement to surface. WOC 12 hrs. Test casing to 1000 psi before drilling out from under shoe.
 2. Drill 8-3/4" hole w/ 9.2 PPG mud to 2400' +/- . Set 7" J-55 23# casing with enough cement to circulate to surface.
 3. Drill 6-1/4" production hole w/ air to TD (4800' +/-) . Set 4-1/2" J-55 10.5# production liner or DP with enough cement to circulate from 4800' to 2300'.
 4. 3000# double ram BOPs will be installed. For well control pipe rams utilized for when pipe is in the hole and blind rams for when pipe is out of hole. Well head will consist of 11"x9-5/8", 11"x7" (2), 7"x2-3/8", 2-3/8" MV, B1 adapter flange w/ 2-3/8" threads + threaded tee & wing valve.

(See Attachments for further details)

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature: 

Printed name: Don Johnson

Title: Operations Manager

Date: 9/20/00

Phone: (505) 334-9111

OIL CONSERVATION DIVISION

Approved by: 

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 4

Approval Date: OCT 3 2000 | Expiration: OCT 3 2001

Conditions of Approval:

Attached ☐

District I
 (4) Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1680 Rio Brann Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-30382		Pool Code 72319	Pool Name Blanco Mesquite
Property Code 5656	Property Name CARLE		Well Number 1B
OGRID No. 12807	Operator Name KOCH EXPLORATION CO.		Elevation 5670'

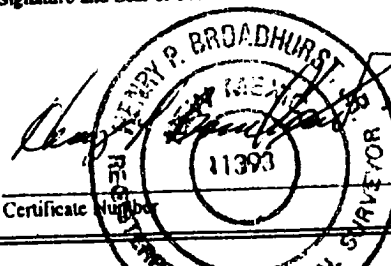
10 Surface Location

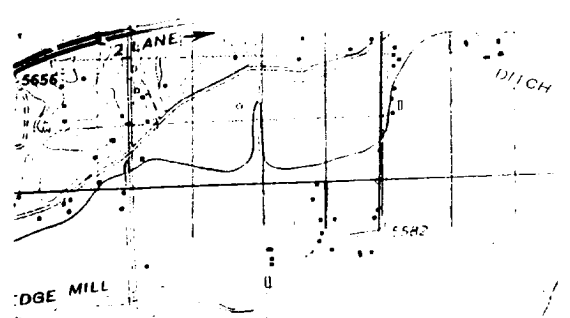
UL or lot no. E	Section 20	Township 30N	Range 11W	Lot Idn	Feet from the 1995	North/South line NORTH	Feet from the 930'	East/West line WEST	County SAN JUAN
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 315.05 NA									
13 Joint or Infill I									
14 Consolidation Code									
15 Order No.									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 S89°30'E 2639.34' 1995 930' N00°43'E 2622.18' N00°02'W N89°24'W	2621.5'	N89°33'E	2537.70'	5297.16' 1 5 6 9 N01°03'W	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Don Johnson Printed Name Operations Manager Title 10/3/00 Date	
	3	2	4			5
	7	8	9			6
Section 20					18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey 08/30/00 Signature and Seal of Professional Surveyer:  Certificate Number	



KOCH EXPLORATION CO.
CARLE #1B
1955 FNL, 930' FWL
NW/4 SEC.20, T-30-N, R-11-W, N.M.P.M.,
SAN JUAN COUNTY, NEW MEXICO
GROUND LEVEL ELEVATION: 5670

