

BETA

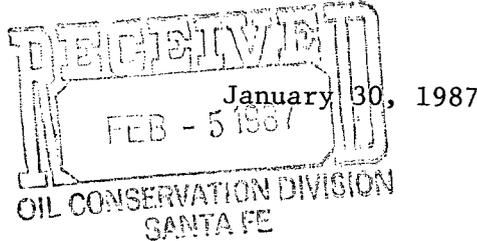
DEVELOPMENT CO.

Incorporated

P. O. BOX 189 • FORT WORTH, TEXAS

Reply to:

234 Petroleum Club Plaza,
Farmington, New Mexico



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, NM 87501

Edgar Federal #2 (SF-079116)
1650' FNL & 1650' FEL
Sec. 1, T-27N, R-12W
Basin Dakota, San Juan County, NM
Undesignated Gallup, San Juan County, NM

Dear Mr. Catanach:

We at Beta Development Company at this time request an exception to Rule 303-C to down hole commingle all production from our Dakota and Gallup formation in the above mentioned well, as we experienced damage in the part of Dakota that was producing beyond repair from a hole in the casing from the Mesa Verde section, we were planning to P & A this well, but as we have some zones in the Dakota that were not opened at time of completion, so after making casing repairs and squeezing off old perforations, open up new Dakota zones, perforate and complete the Gallup and make this into a dual zone completion rather than P & A.

Your consideration and help in this matter to get approval for this application will be greatly appreciated.

Sincerely,



D. E. Baxter
Superintendent

CC: NM Oil Conservation Commission, Aztec office

303-A

Commingle downhole the Dakota & Gallup

Dakota gas zone 6332-6362.

Gallup oil zone 5604-5760 top & bottom perforations

Basin Dakota

Undesignated Gallup.

303-A

Oil Zone Gallup

(1) Total oil new zone Dakota 1 bbl.

Total oil Gallup zone after 30 days, 30-35 bbl's per day

(2) The Gallup will require no artificial lift due to bottom hole pressure of new Dakota gas zone.

(3) Gallup producing wells in the area make from a trace of water to no water

(4) We expect no precipitations of any kind both zones are compatible

(5) No loss of value crude price from commingling

(6) Ownership 100% both zones

(7) No secondary recovery damage will occur due to no water each zone

303-B

Gas zone Dakota

(1) See cover letter

(2) No crossflows between zone due to closeness of bottom hole pressures

(3) No water from either zone

(4) Both zone's are oil compatible

(5) Ownership 100% both zones

(6) Dakota (6362) bottom hole pressure expected

1200-1300 lbs range this is the I.P. pressure expected

Gallup 5760 bottom hole pressure expected

750-850 lbs range this is the I.P. pressure expected

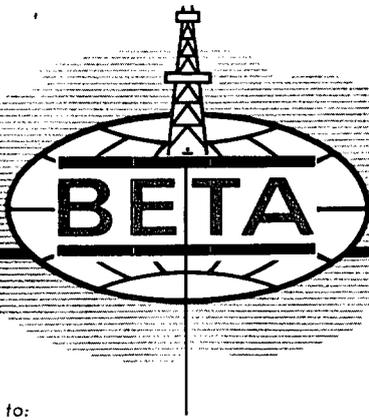
There are only two operators in a 1 mile radius of this well, we are at this time informing Amoco Production and Texaco Inc. of our intention, there is two abandoned Gallup wells in this same radius, we at this time do not know if they are an extension of the Kutz Canyon Gallup or not.

Sincerely,

D. E. Baxter

D. E. Baxter

Superintendent



BETA

DEVELOPMENT CO.

Incorporated

P. O. BOX 189 • FORT WORTH, TEXAS

Reply to:

234 Petroleum Club Plaza,

Farmington, New Mexico

February 2, 1987

Texaco Inc.
P. O. Box 2100
Denver, CO 80201

Edgar Federal #2 (SF-079116)
1650' FNL & 1650' FEL
Sec. 1, T-27N, R-12W
Basin Dakota, San Juan County, NM
Undesignated Gallup, San Juan County, NM

Dear Sir:

This is to serve as notice of our intention to apply for an exception to rule 303-C of the New Mexico Oil Conservation Commission of down hole commingling the Dakota and Gallup formation in our above mentioned well, as you are a off-set operator, we wish your approval at this time indicated by the signature box below, if you disagree with this application, please let Mr. Catanach with New Mexico Oil Conservation Commission of Santa Fe know of this within 20 days of this date.

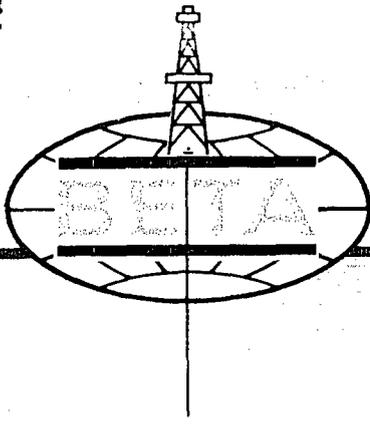
Sincerely,


D. E. Baxter

Approval given by: _____ Date _____

Please sne back one copy.

Copy: Texaco Inc. P. O. Box EE Cortez, CO 81321



DEVELOPMENT CO.

Incorporated

P. O. BOX 189 • FORT WORTH, TEXAS

February 2, 1987

Amoco Production Co.
P. O. Box 800
Denver, CO 80201

Edgar Federal #2 (SF-079116)
1659' FNL & 1650' FEL
Sec. 1, T-27N, R-12W
Basin Dakota, San Juan County, NM
Undesignated Gallup, San Juan County, NM

Dear Sir:

This is to serve as notice of our intention to apply for an exception to rule 303-C of the New Mexico Oil Conservation Commission of down hole commingling the Dakota and Gallup formation in our above mentioned well, as you are a off-set operator, we wish your approval at this time indicated by the signature box below, if you disagree with this application, please let Mr. Catanach with New Mexico Oil Conservation Commission of Santa Fe know of this within 20 days of this date.

Sincerely,

D. E. Baxter
D. E. Baxter

Approval given by: _____ Date _____

Please send back one copy.

Thank you.

Copy: Amoco Production Co. Dept. 2325 East 30th St. Farmington, NM 87401

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

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 GAS WELL OTHER

2. NAME OF OPERATOR
Beta Development Company

3. ADDRESS OF OPERATOR
238 Petroleum Plaza, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
1650' FNL & 1650' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
6050' G.L.

5. LEASE DESIGNATION AND SERIAL NO.
SF-079116

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Edgar Federal

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Basin Dakota

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 1 T-27N, R-12W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>

(Other) _____

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

Amended Sundry Notice 3-25-86

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.)*

Propose to dual complete Gallup & Dakota
To repair casing as approved sundry notice 4-11-86 just as planned after testing the Dakota sandstone, perforate the Graneros section @ (6332-40, 6358-62) 2 shots per ft. acidize and test, set bridge plug 6200' + or -, perforate Gallup section (5604-08, 5656-58, 5674-78, 5696-70, 5731-33, 5738-42, 5754-60) 2 shots per ft, acidize and test.
Recover all bridge plugs, clean out to original T.D. (6470').

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

SIGNED D. E. Bayler TITLE Superintendent DATE January 27, 1987

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.B.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128
 Revised 5/1/57

SECTION A

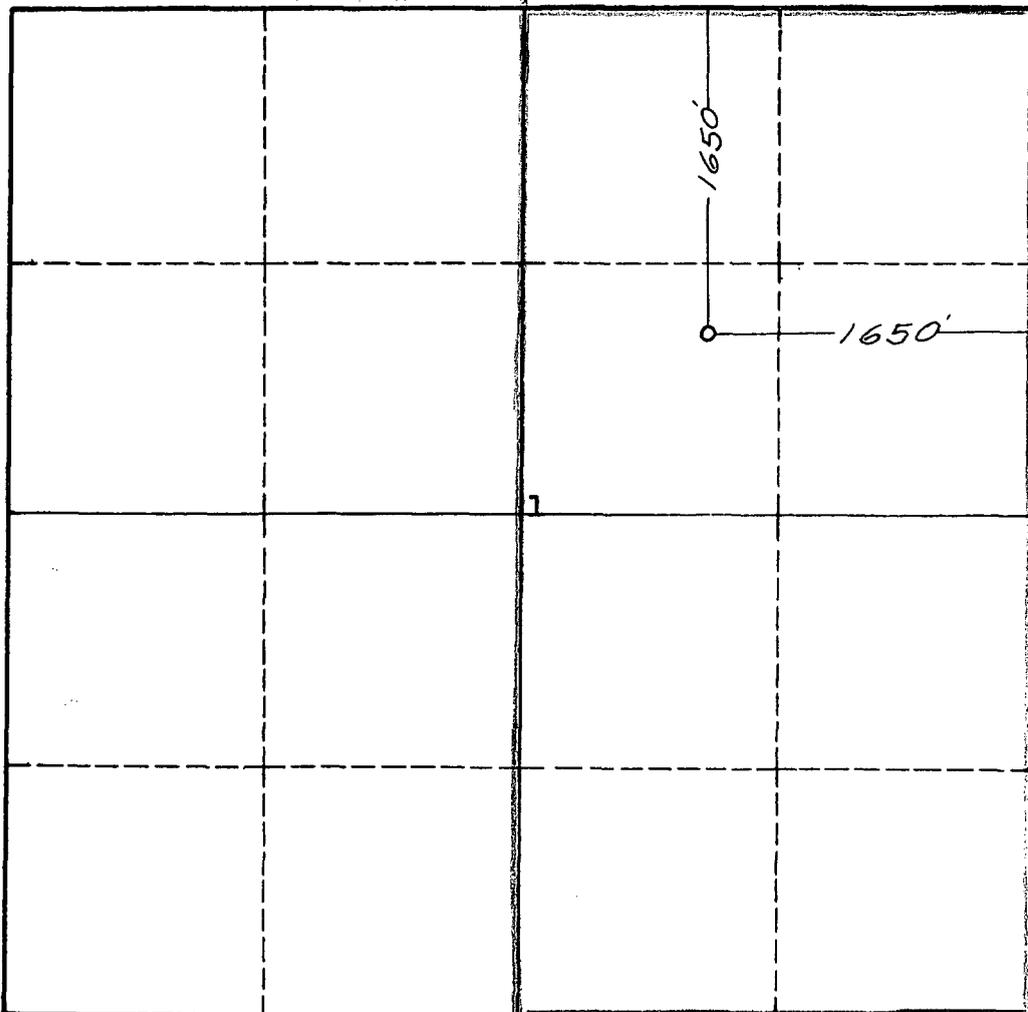
Operator SOUTHWEST PRODUCTION COMPANY		Lease EDGAR - FEDERAL SF-079116		Well No. 2
Unit Letter G	Section 1	Township 27 NORTH	Range 12 WEST	County SAN JUAN
Actual Footage Location of Well: 1650 feet from the NORTH line and 1650 feet from the EAST line				
Ground Level Elev. 6050.0	Producing Formation DAKOTA	Pool Undesignated		Dedicated Acreage: E/320 Acres

Ref: GLO plat dated 19 July 1915

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



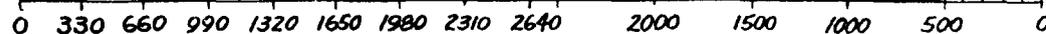
CERTIFICATION

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

Name	Original signed by Carl W. Smith
Position	Production Superintendent
Company	Southwest Production Co.
Date	9/8/60

I hereby certify that the well location shown on the plat in SECTION B 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 knowledge and belief.

Date Surveyed	5 September 1960
Registered Professional Engineer and/or Land Surveyor	<i>James P. Leese</i> James P. Leese
Certificate No.	1463



IN REPLY REFER TO:

SF 079116

~~NM 01445, et al~~

Oil and Gas

4.10h

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LAND OFFICE
P. O. Box 1449
Santa Fe, New Mexico
87501

May 7, 1964

DECISION

Assignor: Southwest Production :
Company, a partnership
composed of John H. Hill
and Joseph P. Briscoll

Oil and Gas

RECEIVED

Assignee: Beta Development Co. :

MAY 5 1964

Conveyance of Operating Rights Approved U. S. GEOLOGICAL SURVEY
ROSSELL, NEW MEXICO

The following conveyance of operating rights involving oil and gas leases listed below is hereby approved.

The Conveyance, dated September 3, 1963, completed May 1, 1964, conveys to the assignee the operating rights in the following leases and lands:

Serial No.	Lease Date	Interest Conveyed	Lands and Depth Limitation
NM 01445	5-1-50	100%	All lands in lease (80 acres) Dakota Formation only.
NM 02491	11-1-50	100%	All lands in lease (320 acres). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
NM 02758	12-1-50	100%	All lands in lease (320 acres) From the base of the Mesaverde Formation down to the base of the Dakota Formation.
NM 03486-A	2-1-48	100%	All lands in lease (760 acres) From the base of the Mesaverde Formation down to the base of the Dakota Formation.
NM 03523	7-1-47	100%	T. 26 N., R. 11 W., NMPM Sec. 6: Lots 1,2,3,4,5,6,7, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ T. 27 N., R. 11 W., NMPM Sec. 31: All Containing 1195.24 acres. From the base of the Pictured Cliffs Formation down to the

<u>Serial No.</u>	<u>Date Lease</u>	<u>Interest Conveyed</u>	<u>Land and Depth Limitation</u>
SF 079116 ✓	4-1-48	100%	All lands in lease (2560.22 ac.). From the base of the Pictured Cliffs Formation down to the base of the Dakota Formation.
SF 079962	2-1-48	100%	All lands in lease (600 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 080113	8-1-51	100%	All lands in lease (320 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 080469	8-1-50	100%	All lands in lease (105.22 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 080865	11-1-61	100%	All lands in lease (120 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 080869	4-1-50	100%	All lands in lease (160 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 080956	3-1-50	100%	All lands in lease (348.63 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
SF 081085	2-1-48	100%	All lands in lease (240 ac.). From the base of the Mesaverde Formation down to the base of the Dakota Formation.
BLM-A 034752	9-1-53	100%	All lands in lease (27.14 ac.). Below the base of the Pictured Cliffs Formation.

*The "Dakota Formation" conveyed herein is defined as being all formations and zones lying below the base of the Greenhorn Limestone Formation and above a point 400 feet below the base of said Greenhorn Limestone Formation, consisting of the Graneros Formation, the Dakota Formation and the productive upper portion of the Morrison Formation.

FROM-	TO-	TOTAL FEET	FORMATION
			<p>Electric Log Tops:</p> <p>Pictured Cliffs 1787</p> <p>Cliff House 3362</p> <p>Menefee 3425</p> <p>Point Lookout 4380</p> <p>Mancos 4527</p> <p>Gallup 5410</p> <p>Greenhorn 6235</p> <p>Graneros 6293</p> <p>Dakota 6408</p> <p>TD 6537 PB 6492</p>

(OVER)



K-12-W

Amoco



35



Texaco



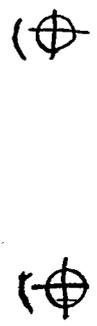
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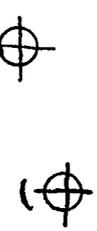
Beta

11

Amoco



36



Beta



Beta

12

Amoco

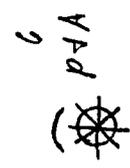


31



Beta

Gallor
T+AO



Beta

7

R-11-W

32

5

N-68-L

8