

PHONE 505 - 623-5053
J. P. WHITE BUILDING
POST OFFICE BOX 1737
ROSWELL, NEW MEXICO
88201

June 3, 1977

NSL-859

Rec June 26

104 F

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

Attn: Mr. Joe D. Ramey
Secretary-Director

Dear Sir:

We respectfully request administrative approval for a non-standard gas well location for our No. 1 Newman well located 2300'FEL & 660'FSL of Section 7, T23S, R26E, Eddy County, New Mexico.

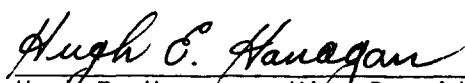
The Hanagan Petroleum Corporation No. 1 Newman well was originally approved as a standard 320 acre (Morrow wildcat) with the S $\frac{1}{2}$ of Section 7 being the dedicated gas proration unit. The well was drilled to the Morrow (Spud 2/15/75 - T.D. 11,625') which was nonproductive, then plugged back and completed as a lower Delaware sand oil well (40 acre spacing) on 9/2/75. This resulted in the creation of the single well Byrnes Tank Delaware Oil Pool. This oil zone has now been temporarily abandoned by placing a retrievable bridge plug above the oil zone (PB 4620'KB) with the idea of attempting to produce this oil zone again before abandonment.

The well is now shut-in waiting on the Commission to change its status from an oil to a gas well, after recently completing it in a gas zone (4247-56) in the middle Delaware sand section (CAOF 4,044 MCFGPD), recompleted 5/23/77. The proposed gas unit (160 acres), consisting of the SE $\frac{1}{4}$ of Section 7, T23S, R26E, is all on the same base lease (K-4761-3) belonging to the State of New Mexico and under lease to Hanagan Petroleum Corporation.

All of the completion forms have been filed with the Commission on the recompletion including Form C-123 requesting the creation of a new gas pool. Attached is a lease ownership plat offsetting the proposed gas unit.

Very truly yours,

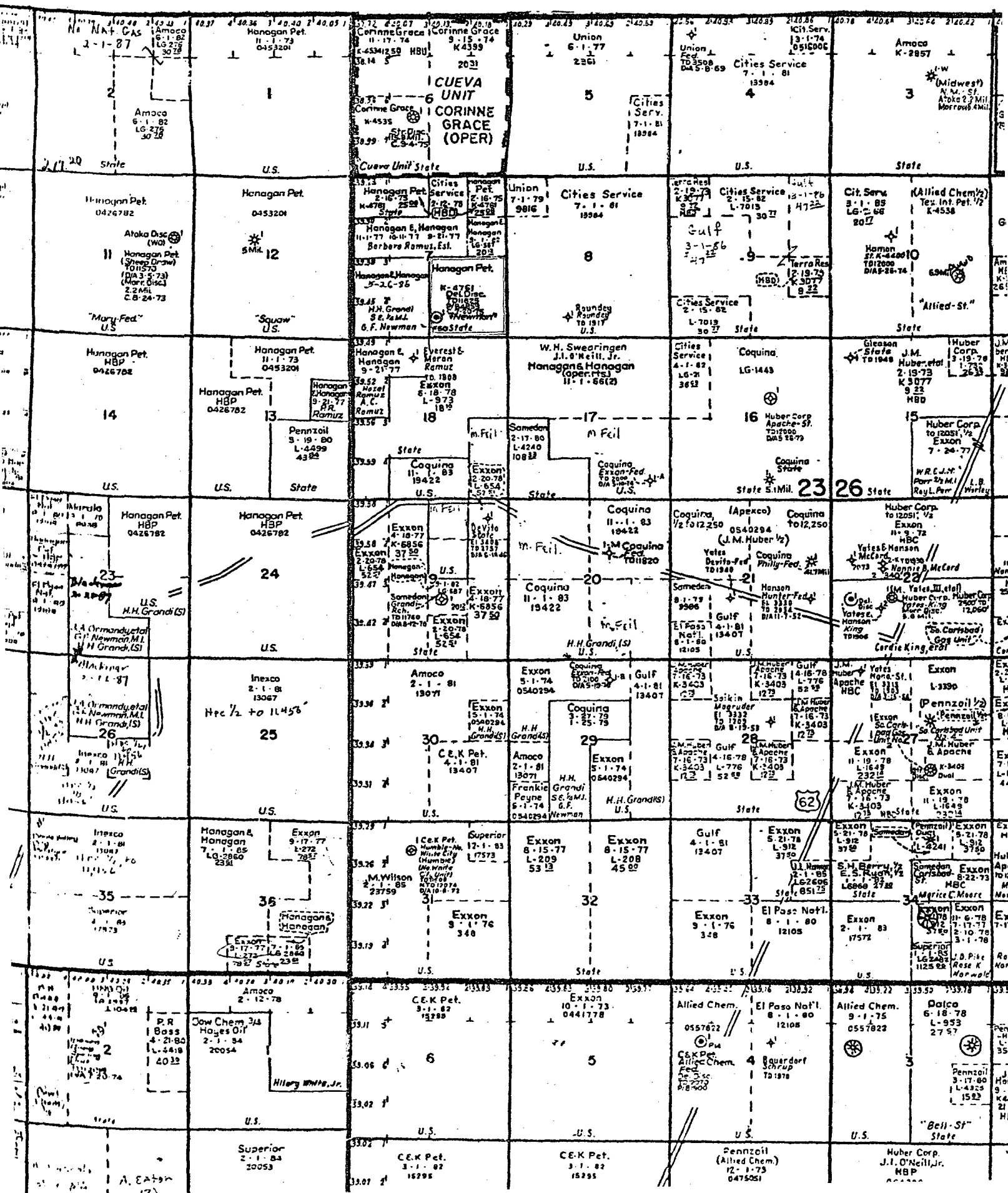
HANAGAN PETROLEUM CORPORATION



Hugh E. Hanagan, Vice President

HEH:tjw
Attachment

XC: Mr. W. A. Gressett
New Mexico Oil Conservation Commission
P. O. Drawer DD
Artesia, New Mexico 88210



CITIES SERVICE COMPANY
ENERGY RESOURCES GROUP



JUN 24 1977

Box 1919-
Midland, Texas 79701
(915) 684-7131

CONSERVATION COMM.

Santa Fe

June 22, 1977

Hanagan Petroleum Corporation
P. O. Box 1737
Roswell, New Mexico 88201

Attention: Hugh E. Hanagan

RE: Recompletion as a Delaware
Gas Well Discovery
Newman Well No. 1
Eddy County, New Mexico

Gentlemen:

In answer to your letter of June 8, 1977, please be advised that Cities Service Oil Company, as an offset interest owner, is in approval and agreement to your proposed recompletion of the above subject well.

Very truly yours,

CITIES SERVICE OIL COMPANY

A handwritten signature in cursive script, appearing to read "R. E. Groves".

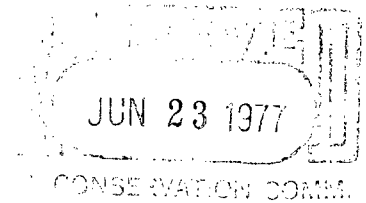
R. E. Groves
Manager - Administration
Southwest Region
E & P Division

REG:JME:bc

EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION
L. H. BYRD
MANAGER

June 21, 1977



Hanagan Petroleum Corporation
No. 1 Newman
Non-Standard Location
Eddy County, New Mexico

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

Attention: Mr. Joe D. Ramey

Gentlemen:

Hanagan Petroleum Corporation has requested administrative approval for a non-standard Delaware gas well location for their No. 1 Newman located 2,300 feet FEL and 660 feet FSL of Section 7, T23S, R26E, Eddy County, New Mexico.

Exxon, as an offset interest owner, has no objection to this request as proposed in their letter to you dated June 3, 1977.

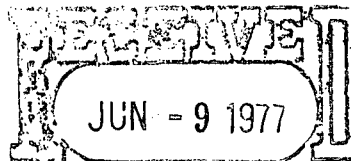
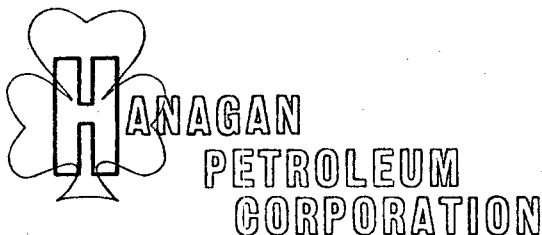
Yours very truly,



L. H. Byrd

HNR/aw

cc: Hanagan Petroleum Corporation



OIL CONSERVATION COMM.

Santa Fe

June 8, 1977

PHONE 505 - 623-5053
J. P. WHITE BUILDING
POST OFFICE BOX 1737
ROSWELL, NEW MEXICO
88201

To: Offset lease interests:
Cities Service Oil Co.
P. O. Box 1919
Midland, TX 79701

Exxon Company USA
P. O. Box 1600
Midland, TX 79701

Subject: Hanagan Petroleum Corporation No. 1 Newman
Recompletion as a Delaware gas well discovery at a non-standard
location.

Hanagan Petroleum Corporation has requested administrative approval for a non-standard Delaware gas well location for its No. 1 Newman well located 2300'FEL & 660'FSL of Section 7 - T23S - R26E, Eddy County, New Mexico.

As offset lease interest owners, this is to notify you of our intentions. A copy of the request sent to the New Mexico Oil Conservation Commission, dated June 3, 1977, is attached for your information. Your acknowledgement of receipt of this notice and approval would be appreciated.

Sincerely yours,

HANAGAN PETROLEUM CORPORATION

Hugh E. Hanagan

Hugh E. Hanagan

HEH:tjw
Enclosure

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

New Mexico Oil Conservation Commission
P. O. Drawer DD
Artesia, NM 88210