

OIL CONSERVATION DIVISION
RECEIVED

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5847 San Felipe Suite 3600
Houston, Texas 77057
Telephone: (713) 780-5000
Fax (713) 780-5273
Telex 9108813603

December 14, 1989



New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 97501-2088

Attn: Mike Stogner

Re: E. H. Pipkin No. 8-E Recompletion
Basin Fruitland Coal Gas Pool
Unorthodox Well Location Exception

Dear Mr. Stogner:

BHP Petroleum (Americas) Inc. is proposing to recomplate the subject Dakota well in the Fruitland Coal. As this well is located in an unorthodox location (see attached C-102) pursuant to Rule No. 7 of Order No. R-8768 for the Basin-Fruitland Coal Gas Pool, BHP PA hereby requests an exception to this requirement as allowed by Rule 8 of the aforementioned order. All operators offsetting this well shown on the attached plat have been sent via certified mail notice of this request.

Should you have any questions, feel free to contact the undersigned at (713) 780-5446.

Sincerely yours,

BHP PETROLEUM (AMERICAS) INC.

Paul C. Bertoglio

Paul C. Bertoglio
Sr. Petroleum Engineer
Inland Business Unit

PCB:ejj

Copy Sent to E. Burch
1/11/90

EJJ023

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

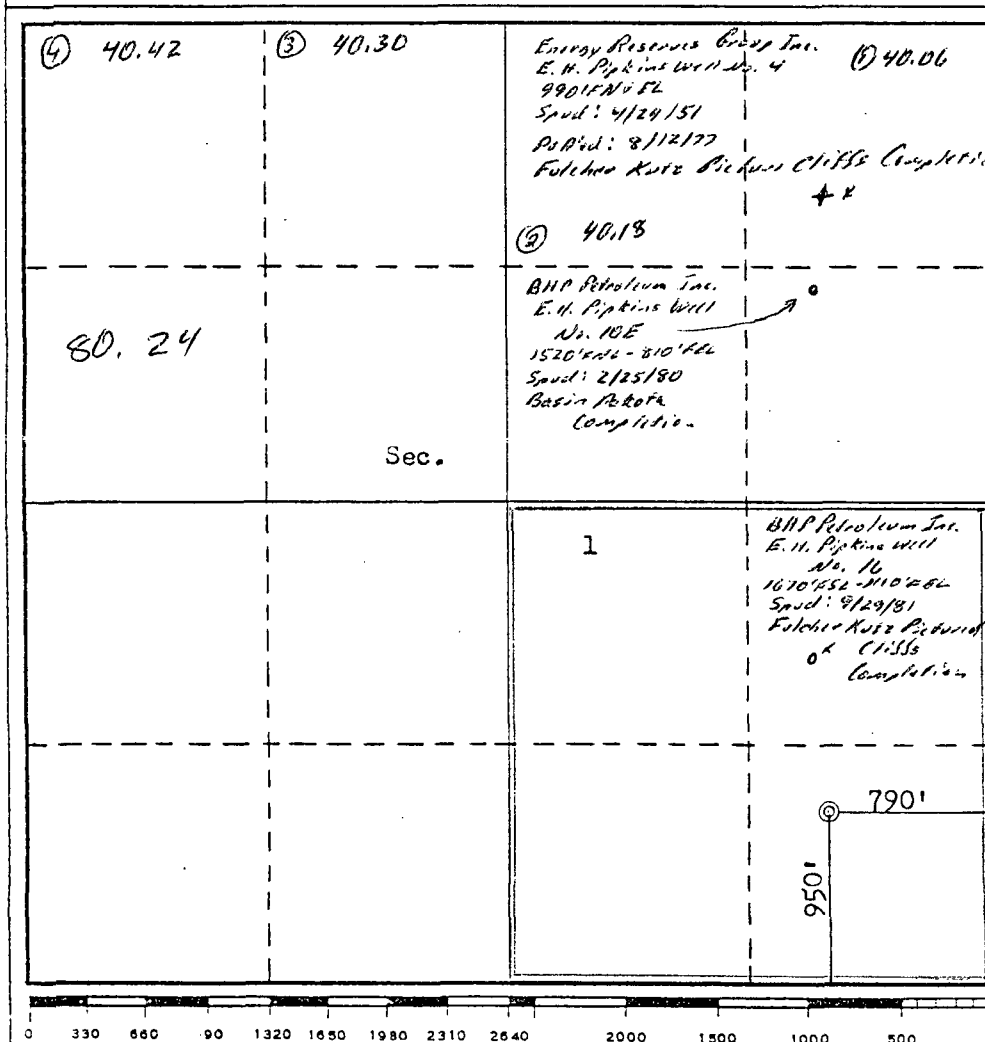
Operator ENERGY RESERVES GROUP		Lease E. H. PIPKIN		Well No. 8E
Unit Letter P	Section 1	Township 27N	Range 11W	County San Juan
Actual Footage Location of Well: 950 feet from the South line and 890 feet from the East line				
Ground Level Elev. 5736	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: 160 (320) Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 working 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.

Name
[Signature]

Position
Field Services Administrator

Company
Energy Reserves Group

Date
August 22, 1979

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 knowledge and belief.

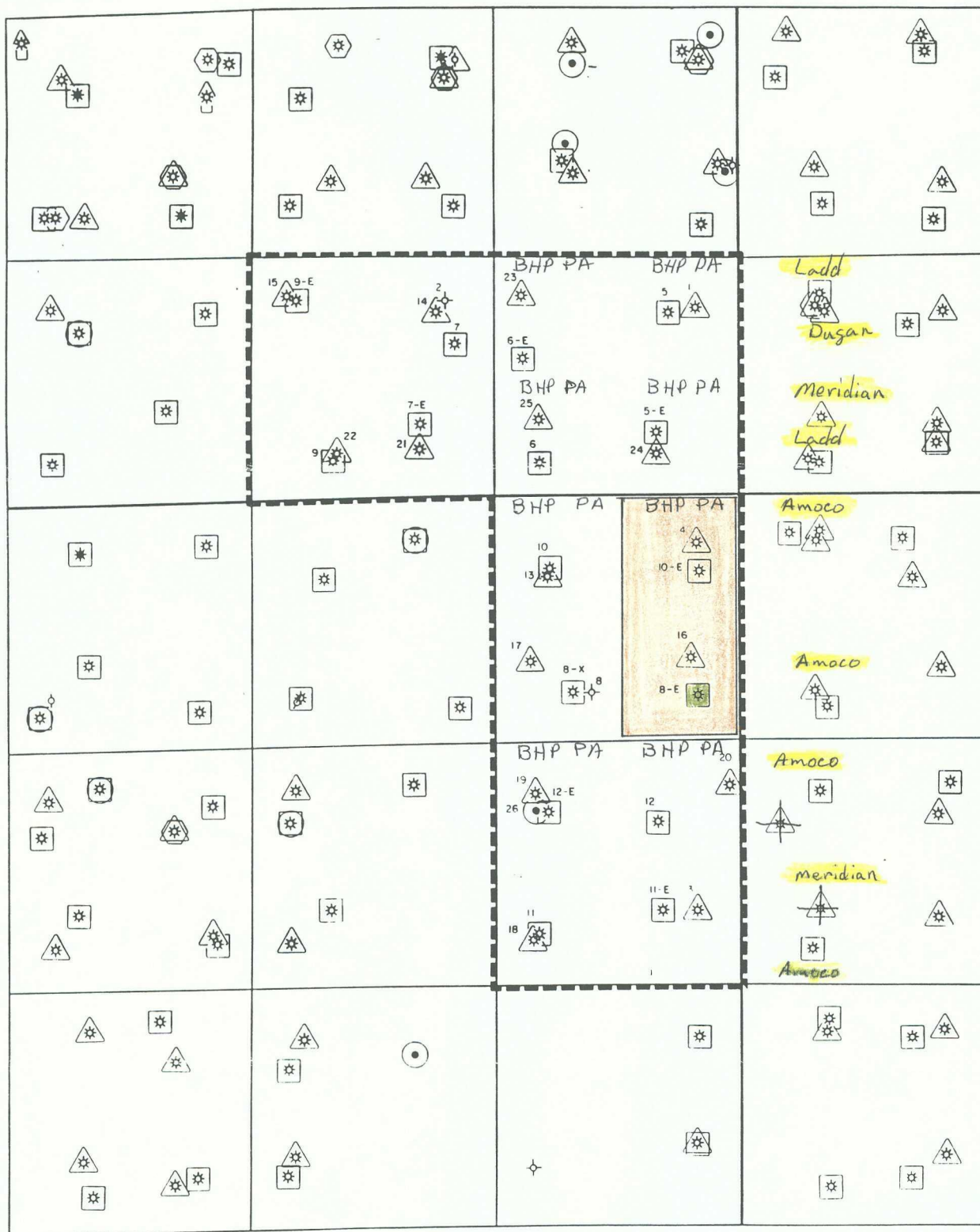
Date Surveyed
August 17, 1979

Registered Professional Engineer
and/or Land Surveyor
[Signature]
Fred B. Kerthor

Certificate No. **3950**

R 11 W

R 10 W

T
28
NT
27
N

- Fruitland
- Pictured Cliffs
- Gallop - Greenhorn
- Graneros - Dakota
- Kirtland - Farmington
- Chacra
- Mesaverde



BHP
Petroleum
(America) Inc.

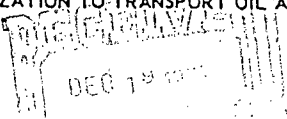
ROCKY MOUNTAIN REGION
One Civic Center Plaza
1550 Broadway, Suite 1900
Denver, Colorado 80202
(303) 863-3500

E.H. Pipkin Lease
San Juan Co., New Mexico

no. of copies received	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRODUCTION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-85



Operator BHP Petroleum (Americas), Inc.	
Address P. O. Box 3280 Casper, Wy. 82602	
Reason(s) for filing (Check proper box)	Other (Please explain)
New Well <input type="checkbox"/>	Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Recompletion <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
Change in Ownership <input type="checkbox"/>	

If change of ownership give name and address of previous owner Energy Reserves Group, Inc. P. O. Box 3280 Casper, Wyoming 82602

DESCRIPTION OF WELL AND LEASE				
Lease Name E. H. Pipkin	Well No. 8-E	Pool Name, Including Formation Basin Dakota	Kind of Lease State, Federal or Fee Federal	Lease No. SF-078019
Location Unit Letter <u>P</u> : <u>950</u> Feet From The <u>South</u> Line and <u>890</u> Feet From The <u>East</u>				
Line of Section <u>1</u> Township <u>27N</u> Range <u>11W</u> , NMPM, <u>San Juan</u> County				

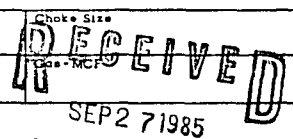
DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS	
Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> Giant Refining, Inc.	Address (Give address to which approved copy of this form is to be sent) Box 256, Farmington, N.M. 87401
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> Southern Union Gathering Co.	Address (Give address to which approved copy of this form is to be sent) First International Bldg. Dallas Texas 75720
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Pgs. Is gas actually connected? When Yes

If this production is commingled with that from any other lease or pool, give commingling order number:
COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth			
Perforations		Depth Casing Shoe						
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			

TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bble.	Water-Bble.	Gas-MCF



GAS WELL			
Actual Prod. Test-MCF/D	Length of Test	Bble. Condensate/MMCF	Choke Size
Testing Method (Pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

OIL CON. DIV.
DIST. 3

CERTIFICATE OF COMPLIANCE		OIL CONSERVATION COMMISSION	
I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		APPROVED <u>SEP 27 1985</u> , 19	
<u>Deke Belder</u> (Signature) <u>District Clerk</u> (Title) <u>9-19-85</u> (Date)		BY <u>Frank J. [Signature]</u> TITLE <u>SUPERVISOR DISTRICT #</u>	
		This form is to be filed in compliance with RULE 1104. If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111. All sections of this form must be filled out completely for allowable on new and recompleted wells. Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition. Separate Forms C-104 must be filed for each pool in multiply completed wells.	

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)Form approved
Budget Bureau No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____				5. LEASE DESIGNATION AND SERIAL NUMBER SF-078019	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____				6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____	
2. NAME OF OPERATOR Energy Reserves Group, Inc.				7. UNIT AGREEMENT NAME _____	
3. ADDRESS OF OPERATOR P.O. Box 3280 - Casper, Wyoming 82602				8. FARM OR LEASE NAME E.H. Pipkin	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 950' FSL, 890' FEL (SE SE) At top prod. interval reported below At total depth RECEIVED JUL 17 1980 GEOLOGICAL SURVEY FARMINGTON, N.M. 14. PERMIT NO. _____ DATE ISSUED _____				9. WELL NO. #8-E	
15. DATE SPUNDED 4-27-80				10. FIELD AND POOL, OR WILDCAT Basin Dakota	
16. DATE T.D. REACHED 5-10-80				11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 1-T27N-R11W	
17. DATE COMPL. (Ready to prod.) 7-1-80				12. COUNTY OR PARISH San Juan	
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* GRD 5,736' KB 5,750'				13. STATE New Mexico	
19. ELEV. CASINGHEAD -----					
20. TOTAL DEPTH, MD & TVD 6,210' KB		21. PLUG, BACK T.D., MD & TVD 6,157' KB		22. IF MULTIPLE COMPL., HOW MANY* NA	
23. INTERNALS ROTARY TOOLS O-TD				CABLE TOOLS -----	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Dakota 6,098' - 6,122' KB				25. WAS DIRECTIONAL SURVEY MADE NO	
26. TYPE ELECTRIC AND OTHER LOGS RUN Dual Induction - SFL, Comp. Neutron - Form Density				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#	304' KB	12-1/4"	250 SKS "B" + 2% CaCl ₂ + 1/4#/sk Flocele. Did not circ. cement. See back of page	-0-
4-1/2"	10.5#	6,203' KB	7-7/8"	See Back of Page	-0-
29. LINER RECORD				30. TUBING RECORD	
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	PACKER SET (MD)
		None			None
31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
4,364'-65' (4 perfs) - Squeeze perfs				DEPTH INTERVAL (MD)	
6,098'-6,108'				4,364'-65'	
6,110'-6,114' w/1 JSPF				6,098' - 6,122'	
6,121'-6,122'				AMOUNT AND KIND OF MATERIAL USED	
				Squeeze w/150 sx cmt. B.D. w/1000 gal 7 1/2% HCl + additives. + 10% Meth anol + 500 SCF N ₂ /bbl + 25 RCNB. Frac job on back of page *	
33. PRODUCTION					
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)			WELL STATUS (Producing or shut-in)
					SI
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO	
7-1-80	24	1/2"	ACCEPTED FOR RECORD	132 3 (Frac Fluid)	33,000 SCF/STB
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.)		
75	300	→	4 132 3 (Frac Fluid)	50°	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) VENTED DURING TEST				TEST WITNESSED BY T.C. DURHAM	
35. LIST OF ATTACHMENTS SAMPLE DESCRIPTION BY FARMINGTON, NM					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED <i>David C. Shuman</i>		TITLE Prod. Engr-RMD		DATE July 7, 1980	

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

NMOCC

INSTRUCTIONS

FORM NO. 37

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 33.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF: CORO INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	38. GEOLOGIC MARKERS
			SEE ATTACHED	
			Cementing - 8-5/8" Cemented from top w/25 sks "B" + 4% CaCl ₂ . Cementing - 4-1/2" 1st stage - 465 sx Cl ₂ "B" w/10% salt - 2nd stage @ 4,363' 610 sks of 50-50 Pozmix w/2% gel + 1/4#/sk Flocele. 3rd stage @ 1,829' 375 sx of 65-35 Pozmix w/6% gel followed by 385 sx 50-50 Pozmix w/2% gel + 1/4#/sk Flocele.	
			* Fractured w/50,000 gal gelled water (GMX -4) + 10% Methanol + 400 SCF N ₂ /bbl. + 90,000# 20-40 sand.	
				LOG TOPS
				Ojo Alamo 530'
				Kirtland 649'
				Fruitland 1,303'
				Pictured Cliffs 1,591'
				Lewis 1,677'
				Cliff House 3,113'
				Menefee 3,253'
				Point Lookout 3,982'
				Mancos 4,296'
				Gallup 5,140'
				Greenhorn 5,937'
				Graneros 5,993'
				Dakota 6,046'
				Dakota Pay 6,097'
				Driller TD 6,210'
				Loggers 6,157'

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

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

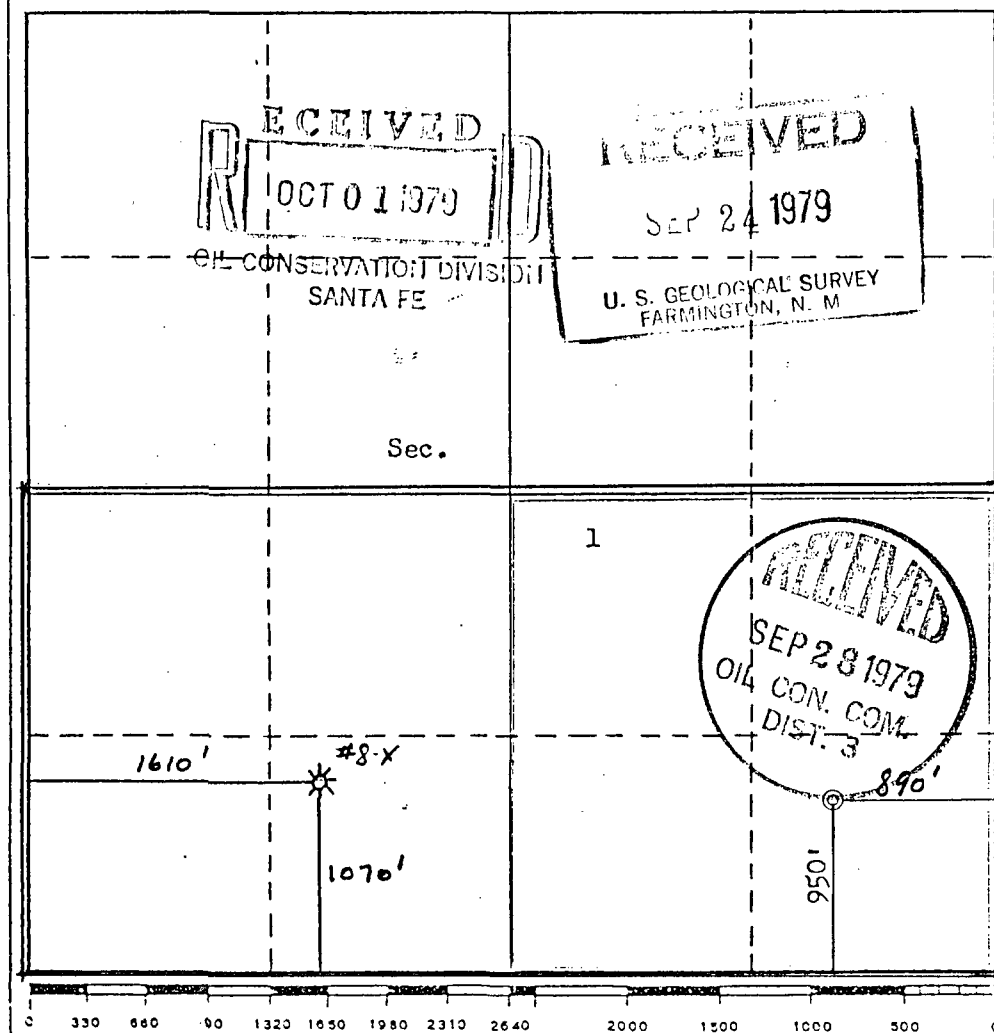
Operator ENERGY RESERVES GROUP			Lease E. H. PIPKIN		Well No. 8E
Unit Letter P	Section 1	Township 27N	Range 11W	County San Juan	
Actual Footage Location of Well: 950 feet from the South line and 890 feet from the East line					
Ground Level Elev. 5736	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 1.00 (320) Acres

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 working 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.

Name William J. Hines
Position Field Services Administrator
Company Energy Reserves Group
Date August 22, 1979

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 knowledge and belief.

Date Surveyed August 17, 1979
Registered Professional Engineer and/or Land Surveyor Fred E. Kerroux
Certificate No. 3950

NMOCC

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Energy Reserves Group, Inc.

3. ADDRESS OF OPERATOR

P. O. Box 3280

Casper, Wyoming 82602

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

At surface

At proposed prod. zone 950' FSL & 790' FEL (SE/SE)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approx 7 miles south & 1 1/2 miles east of Bloomfield, N.M.

15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 790'

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160 (320) 5/320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

2300'

19. PROPOSED DEPTH

6300'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5736' Gr. (ungraded)

22. APPROX. DATE WORK WILL START*

Sept. 1979

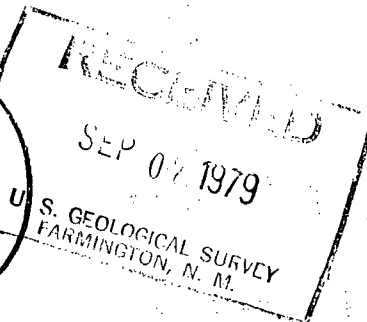
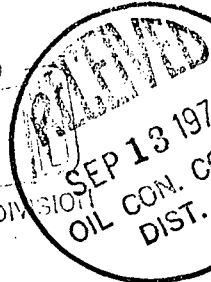
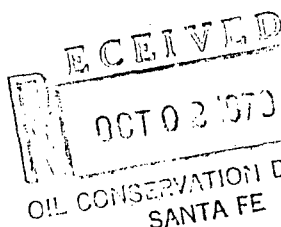
23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	20#	700' ±	to surface
7 7/8"	4 1/2"	10.5#	6300' ±	500 sx

Energy Reserves Group, Inc. proposes to drill the above referenced well with rotary tools from surface to T.D. Proposed zone of completion is the Basin Dakota @ 6105'.

gas is dedicated



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Field Services Administrator DATE August 22, 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Additional well needed pursuant
to New Mexico Order R-1670-V.
U.S.S. ratification effective
July 1, 1979. ah Frank

*See Instructions On Reverse Side



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

AZTEC DISTRICT OFFICE

90 JAN 23 AM 8 48

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0170

Date: 1-19-90

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

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 1-12-90

for the BHP PETROLEUM E.H. PEPPER #8E
Operator Lease & Well No.

P-1-27N-11W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Ernie Busch