

Memorandum

To Messrs. J. F. Schwartz & G. P. Dietz

Date: March 31, 1975

From: John A. Ahlm & R. A. Ullrich

Place: ERD-Land & Geological
FarmingtonRe Renegotiation of GLA 46
Brookhaven Contract

Revisions in the captioned contract were recently negotiated which are more favorable to the company in recovering development costs on the carried working interest.

An understanding of wells to be developed during 1975 on acreage subject to the agreement included six Pictured Cliffs wells which had not previously been budgeted.

The attached schedule lists the pertinent data involving this six well request. El Paso Natural Gas Company total cost to drill the wells is estimated at \$284,480.

To offset the costs of drilling these six Pictured Cliffs wells we recommend deferring until 1976, the drilling of the two Dakota wells listed below.

- 1). Klein #26, NE NE Sec. 33, T26N, R6W
- 2). Klein #27, NE SW Sec. 35, T26N, R6W

These wells are owned 100% by EPNG and are estimated to cost \$178,000 and \$172,000 respectively and would each deliver 300 MCFG/D.

Summary of revisions:

- 1). Add six PC wells---Est. cost-\$284,480---Est. deliverability-700 MCF/D
- 2). Delete two DK wells-Est. cost-\$350,000---Est. deliverability-600 MCF/D

Add to contingency fund-----\$ 65,520-Increase deliverability-100 MCF/D

JAA:RAU:ld
attachment

John A. Ahlm

R. A. Ullrich

Concur 4-1-75 Q7A

*Approved 4-3-75
W. Bittner*

Approved

D. J. Carfield 4-1-75

M. E. Spiller 4-2-75

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GLA 46 BROOKHAVEN WELLS SCHEDULED AS
ADDITIONS TO 1975 DRILLING PROGRAM

<u>WELL NAME & LOCATION</u>	<u>FORMATION</u>	<u>EPNG W. I.</u>	<u>OTHER OWNERS</u>	<u>REASON</u>	<u>ESTIMATED PROD. & DEL.</u>	<u>EST. Ø COST</u>	<u>EST. RESERVES</u>
Scott #12 SW NE 3, T31N, R10W	PC	100% (Includes 50% Brookhaven et al GLA #46 carried)	Brookhaven et al 50% after payout	Brookhaven Request	1.0 M ² 100 MCF/D	\$47,420	OL
Scott #13 NW 3, T31N, R10W	PC	100% (Includes 50% Brookhaven et al GLA #46 carried)	Brookhaven et al 50% after payout	Brookhaven Request	1.0 M ² 100 MCF/D	\$47,420	OL
Scott #14 NE SE 8, T31N, R10W	PC	100% (Includes 50% Brookhaven et al GLA #46 carried)	Brookhaven et al 50% after payout	Brookhaven Request	1.0 M ² 100 MCF/D	\$47,860	450 M ²
Brookhaven Com J-12 NE NE 16, T31N, R10W	PC	100% (Includes 25% Brookhaven et al GLA #46 carried)	Brookhaven et al 25% after payout	Brookhaven Request	1.0 M ² 100 MCF/D	\$48,310	OL
Brookhaven Com K-13 NE SW 16, T31N, R10W	PC	100% (Includes 25% GLA 47 SSORR, & 25% GLA 46 Brook- haven carried)	Brookhaven et al 25% after payout	Brookhaven Request	1.0 M ² 100 MCF/D	\$48,310	OL
Brookhaven Com L-14 SE SE 16, T31N, R11W	PC	100% (Includes 50% GLA 46 Brookhaven carried)	Brookhaven et al 50% after payout	Brookhaven Request	2.0 M ² 200 MCF/D	\$45,160	OL
TOTAL:						\$284,480	

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