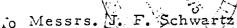
Memorandum





F. Schwartz & G. P. Dietz

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

Date: March 31, 1975

Place: ERD-Land & Geological

Farmington

Re 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.

4-3-75

JS

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

DNC 1). Klein #26, NE NE Sec. 33, T26N, R6W

(P) 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

attachment

Concar 4-1-75

4.3.75 Approved

GLA 46 BROOKHAVEN WELLS SCHEDULED AS ADDITIONS TO 1975 DRILLING PROGRAM

Brookhaven Com L-14(4) SE SE 16, T31N,R11W	Brookhaven Com K-13 NE SW 16, T31N, R10W	Brooknaven Com J-12 NE NE 16, T31N, R10W	Scott #14 NE SE 8, T31N, R10W	ott #13 NW 3, T31N, R10W	Scott #12 SW NE 3, T31N, R10W	WELL NAME &
PC	PC	PC ,	PC .	PC	PC .	FORMATION
100% (Includes 50% GLA 46 Brookhaven carried)	100% (Includes 25% GLA 47 SSORR, & 25% GLA 46 Brook- haven carried)	100% (Includes 25% Brookhaven et al GLA #46 carried)	100% (Includes 50% Brookhaven et al GLA #46 carried)	100% (Includes 50% Brookhaven etal GLA #46 carried)	100% (Includes 50% Brookhaven et al GLA #46 carried)	EPNG W.I.
Brookhaven et al 50% after payout	Brookhaven et al 25% after payout	Brookhaven et al 25% after payout	Brookhaven et al 50% after payout	Brookhaven et al 50% after payout	Brookhaven et al 50% after payout	OTHER OWNERS
Brookhaven Request	Brookhayen Request	Brookhaven Request	Brookhaven Request	Brookhaven Request	Brookhaven Request	REASON
2.0 M ² 200 MCF/D TOTAL	1.0 M ² 100 MCF/D	1.0 M ² 100 MCF/D	1.0 M ² 100 MCF/D	1.0 M ² 100 MCF/D	1.0 M ² 100 MCF/D	ESTIMATED PROD, & DEL.
\$45, 160 TOTAL: \$284, 480	\$48,310	\$48,310	\$47,860	\$47, 420	\$47,420	EST, Ø
OT	OL	. OT	450 M ²	TO	OT	EST. RESERVES

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