



CITIES SERVICE OIL COMPANY

800 Vaughn Building
Midland, Texas 79701
Telephone: 915 684-7131

February 3, 1972

State of New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

*grd
file
Case 4643*

Subject: Case No. 4643,
Order No. R-4239.

Gentlemen:

As set out in Paragraph 3 of Page 3 of the above mentioned Order, Cities Service is required to furnish you with the attached copies of the itemized schedule of estimated well costs.

If we can be of further assistance, please advise.

Yours truly,

CITIES SERVICE OIL COMPANY

Ronnie G. Ward

Ronnie G. Ward
Landman

RGW:vp

Attachment

EX 7

CONTRACTOR
DATE
I. O. NO.

Contract No.
Contract Date
Contract Price
Contract Description
Contract Location
Contract Status
Contract Notes

4 1/2
100
1000

Contractor Name
Contractor Address
Contractor City
Contractor State
Contractor Zip
Contractor Phone

Contractor Email
Contractor Website
Contractor Fax
Contractor Telex

Contractor Bank
Contractor Account
Contractor Branch
Contractor City

Contractor State
Contractor Zip
Contractor Phone
Contractor Fax

Contractor Email
Contractor Website
Contractor Fax
Contractor Telex

Contractor Bank
Contractor Account
Contractor Branch
Contractor City

Contractor State
Contractor Zip
Contractor Phone
Contractor Fax

Contractor Email
Contractor Website
Contractor Fax
Contractor Telex

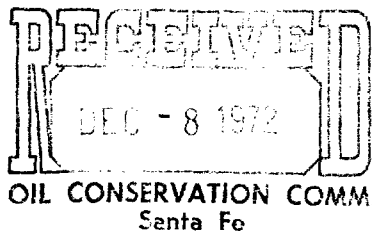
Contractor Bank
Contractor Account
Contractor Branch
Contractor City

Contractor State
Contractor Zip
Contractor Phone
Contractor Fax

Contractor Email
Contractor Website
Contractor Fax
Contractor Telex

BEST AVAILABLE COPY

ILLEGIBLE



OCC CASE NO. 4836

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF PENNSYLVANIA GAS ZONES

S $\frac{1}{2}$ of Section 24, Township 22 South,
Range 26 East, Eddy County, New Mexico

Title opinion, etc. - Legal work	2,800
Survey & Permit	400
Road and Location Preparation	1,250
Surface Damages	60
Fencing - Fill Pits - Cleanup	1,450
9700 ft. @ 10.20 per foot	98,940
Daywork w/D.P. 26 days @ \$1,675	43,550
Daywork wo/D.P. 5 days @ \$1,550	7,750
Formation Testing	5,700
Cement and Cementing	6,000
Logging	12,000
Other Services - Welding, etc.	150
Trucking	50
Geology	6,000
Engineering	1,500
Labor	350
Water and Fuel	3,300
Drilling Mud and Chemicals	8,000
Company Supervision	2,400
Cost to P & A	2,000
Contingencies	10,000
Casing Supplies	600

TOTAL INTANGIBLE DRILLING COSTS 214,250

Conductor Casing	250
13-3/8" Surface Casing - 400'	2,900
9-5/8" Protection Casing - 5400'	28,000

TOTAL TANGIBLE DRILLING COSTS 31,150

DRY HOLE COSTS 245,400

Intangible Completion Costs

Day Work wo/D.P. 3 days @ \$1,550	4,650
Completion rig - 5 days @ \$456/day	2,280
PDC and CBL Log	3,000
Cement and Cementing	6,000
Perforating	2,800
Engineering	2,000
Rental Equipment	4,900
Casing Supplies	2,000

TOTAL INTANGIBLE COMPLETION COSTS 27,630

7" OD Casing - 12,000'	57,000
2-7/8" OD Tubing - 12,000'	18,000
Wellhead Equipment	10,000
Surface Equipment *	10,000

TOTAL TANGIBLE COMPLETION COSTS 95,000

*Packer & Flowlines 2,300

Less P & A Costs 2,000

TOTAL COMPLETED WELL COSTS 368,830*

*This accounting was raised \$2,300 due to fact the Packer and Flowlines were left off of the original by ommission.

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

WTK

January 3, 1973

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

Re: Application for De Novo Hearing
Case No. 4819 and 4836
Order No. R-4432

Dear Sir:

On behalf of Mr. D. L. Hannifin, I request that the above referenced de novo hearing presently scheduled for ~~January 19~~ *Feb. 7* 1973 be dismissed.

Very truly yours,

W. T. Kellahin
W. Thomas Kellahin

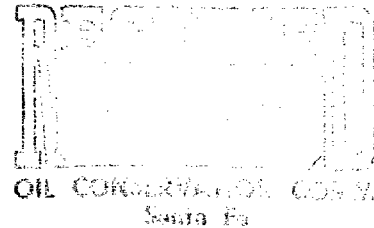
WTK/ks

cc: Mr. D. L. Hannifin
Mr. Jack Cooley

October 5, 1972

O.C.C.

Santa Fe, New Mexico



Dear Sirs:

Pursuant to your requests, re. case# ⁴⁸³⁶/₄₈₁₉, I am submitting the following chronological accountings: City of Carlsbad #1 at \$463,349.92; Gradonoco #1 at 404,702.85; and the Carlsbad-Grace #1 A DUAL COMPLETION at \$416,556.01.

The GOPOGO #2 is neither completed testing nor being billed and while mud and certain professional services are clearly lower in cost an adequate accounting is impossible at this time.

I also submit my AFE as promised with a total cost of

To facilitate you refreshing your recollection on my testimony, all items omitted in the Hannifin AFE will be written in red ink.

Humbly yours,

Richard Steinhorst by Gerald Wasson
Richard Steinhorst
SOS Systems
Box 51795
Lafayette, Louisiana
70501

RS:lw

AFE - 12,000' TEST

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF PENNSYLVANIA GAS ZONES

S $\frac{1}{2}$ of Section 24, Township 22 South,
Range 26 East, Eddy County, New Mexico

Stake well	\$ 60.00	
Damages, location and roadwork	1,250.00	
SURVEY + PERMIT	400.00	
Drilling 9700' @ \$10.20 per ft.	98,940.00	
Daywork w/D.P. 26 days @ \$1675 (Incl. DSTs)	43,550.00	
Daywork w/o/D.P. 5 days @ \$1550 (Incl. Logs, Cement)	7,750.00	
Cementing and cement equipment	6,000.00	
Logging	12,000.00	
Drilling Mud and Chemicals	8,000.00	
Formation Testing (DSTs)	5,700.00	
Other services, welding, etc.	1,000.00	
TRUCKING	50.00	
GEOLOGY	6,000.00	
ENGINEERING	1,500.00	
LABOR	350.00	
WATER and FUEL	3,300.00	
COMPANY SUPERVISION	2,400.00	
COST TO P & A	2,000.00	
CASING SUPPLIES	600.00	
Contingencies	10,000.00	
TOTAL INTANGIBLE DRILLING COSTS	210,850.00	67,900 ⁰⁰
CONDUCTOR CASING	650.00	
17-3/8" Surface Casing - 400'	2,900.00	
9-5/8" Protection Casing - 3400'	28,000.00	
TOTAL TANGIBLE DRILLING COSTS	31,550.00	
DRY HOLE COSTS	242,400.00	68,550 ⁰⁰
<u>Intangible Completion Costs</u>		
DAY WORK w/o/D.P. 3 days @ \$1,550 Logs + PIPE	4,650.00	
COMPLETION Rig - 5 days @ \$456/day	2,280.00	
PDL and SBL LOG COMPLETION LOGS	3,000.00	
Cement and Cementing	6,000.00	
Perforating	2,800.00	
ENGINEERING	2,000.00	
RENTAL EQUIPMENT	4,900.00	
CASING SUPPLIES	2,000.00	
TOTAL INTANGIBLE COMPLETION COSTS	27,630.00	18,830 ⁰⁰
7" OD Casing - (12,000)	57,000.00	+2%
2-7/8" OD Tubing - (12,000)	18,000.00	+2%
PACKER & FLOWLINES	3,000.00	
WELLHEAD EQUIPMENT	10,000.00	
SURFACE EQUIPMENT	10,000.00	
TOTAL TANGIBLE COMPLETION COSTS	98,000.00	23,000 ⁰⁰
Less P & A Costs	2,000.00	
TOTAL COMPLETED WELL COSTS	366,030.00	110,380 ⁰⁰

Fee, City & State

Well No. 1 Sec. 25, T-22S

R25-E

New Mexico

Eddy

So. Carlsbad

100%

Single Completion

1970

1971

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF (4) PENNSYLVANIA gas zone

Work Detail

INTANGIBLES

Location and Road: Title exam. & related work	5,341.02
Survey and Permit	1,332.53
Road and Location Preparation	902.92
Surface Damages	250.00
Fencing-Filling Pits-Cleanup	2,855.41
Drilling Turnkey	189,210.93
12,000 ft. at \$11.66 per foot	2,159.28
1 1/2 days Rig time at \$1475.	3,705.00
2 1/2 days Rig time at 1425.	2,084.78
Drill Pipe - Tool Rental	1,103.78
2 Bits at \$551.82	941.68
Bits at (14-1/2 hrs. @ \$1525.)	
Reamer Cutters	
Core Barrel - Core Head Rental	

City of
Carlsbad No. 1
WELL COST

Casing Cementing	17,061.22
Squeeze Cementing or Plugging	
Logging - Sidewall Coring Log Suite	20,912.62
Core Analysis	
Formation Testings D.S.T.'s	23,600.00
Perforating	2,943.19
Acidizing and FRAC	
Special Rig Completing	7,553.15
Other Services Welding, etc.	366.24
Trucking	750.74
Geology	4,129.74
Engineering	12,288.36
Labor	214.12
Logging Unit	3,442.00
Tool and Equipment Rental	14,955.70
Water and Fuel	12,280.96
Casing Supplies etc	1,311.54
Drilling Mud and Chemicals	20,684.51
Company Supervision (\$800. per mo.)	5,600.00
Contingencies 5%	

Single Completion TOTAL INTANGIBLES

357,981.42

TANGIBLES

Casing, Conductor	420.00
Casing, Surface 350' of 13 3/8"	4,432.17
Casing, Protection 5400' of 8 5/8"	24,864.44
Casing, Production 12,000' of 4 1/2"	41,226.14
Casing, Other 100' of 4 1/2"	305.27
Tubing, 12,000 of 2 1/2"	16,495.08
Packer	1,772.47
Flow Lines	2,268.82

Well Head Equipment 13,584.11

Surface Equipment

Single Completion TOTAL TANGIBLES

105,368.50

Single Completion TOTAL WELL COST

463,349.92

UNIT	FIELD	PROR. OF COST	DATE WORK BEGAN	DATE OF COMPLETION
Idy Co.	So. Carlisbad	100%	6/24/1971	8/18/71
		Single Completion		

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF (4) PENNSYLVANIA gas zones

Work Detail

INTANGIBLES

Location and Road: Title exam. & related work	2,845.46
Survey and Permit	410.48
Road and Location Preparation	1,250.00
Surface Damages	60.00
Fencing-Filling Pits-Cleanup	1,439.88
Drilling Turnkey	161,595.20
ft. at per foot	
W.P. 143 1/4 Hrs. Rig time at 71.875	1,102.56
W.P. 72 3/4 Hrs. Rig time at 59.375	4,492.31
Drill Pipe - Tool Rental	
Rig time Bits at for testing	
Bits at	
Reamer Cutters	
Core Barrel - Core Head Rental	
Day Work, Testing, Logging, etc	20,280.00
Casing Cementing	13,258.44
Squeeze Cementing or Plugging	
Logging - Sidewall Coring Log Suite	12,025.51 ✓
Core Analysis	
Formation Testings D.S.T.'s	5,720.00
Perforating	2,835.96
Acidizing and FRAC	
Special Rig Completing	
Other Services Welding, etc.	135.72
Lubricating	36.40
Geology	6,011.36
Engineering	3,490.56
Labor	348.80
Logging Unit	
Tool and Equipment Rental	4,893.50
Water and Fuel	3,273.73
Casing Supplies	2,611.76
Filling Mud and Chemicals	27,376.36
Company Supervision (\$800.00 per mo.)	2,400.00
Contingencies: 5% (under 3%)	12,000.00
Temperature Surveys	3,385.72

Gradonco #1
operators: Michael P.
and Corinne Grace

Single Completion TOTAL INTANGIBLES

TANGIBLES

Casing, Conductor	25,526
Casing, Surface 404.10' of 13 3/8"	2,920.84
Casing, Protection 562.60' of 9 5/8"	28,315.03
Casing, Production 511.15' of 4 1/2"	1,279.37
Casing, Other 11,434' of 7"	42,296.47
Casing, 12,031.80' of 3/8"	12,431.06
Casing, 2,765.96	
Flow Lines	

Well Head Equipment	10,325.22
Equipment	10,252.93
Single Completion TOTAL TANGIBLES	110,842.14
Single Completion TOTAL WELL COST	404,702.85

State Well No. 1 Sec. 29, T22S R25E New Mexico

Eddy Co. Carlsbad 100% Dual Completion 1972

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF (4) PENNSYLVANIA gas zones
Work Detail

INTANGIBLES

Location and Road: Title exam. & related work	
Survey and Permit	250.00
Road and Location Preparation	2,741.00
Surface Damages	250.00
Fencing-Filling Pits-Cleanup	855.92
Drilling Turnkey	
12,000 ft. at \$11.66 per foot	172,223.70
1 1/2 days Rig time at \$1725	2,749.22
5.9 days Rig time at 1725.	8,401.56
Drill Pipe - Tool Rental	
2 Bits at \$551.82	
Bits at (14-1/2 hrs. @ \$1525	
Reamer Cutters	
Core Barrel - Core Head Rental	
Day work, Testing, Logging, etc.	14,070.00
Casing Cementing	11,178.51
Squeeze Cementing or Plugging	
Logging - Sidewall Coring Log Suite	14,171.60
Core Analysis	
Formation Testings D.S.T.'s	3,421.00
Perforating	3,559.79
Acidizing and FRAC	
Special Rig Completing	
Other Services Welding, etc.	217.73
Trucking	72.80
Geology	4,387.70
Engineering	4,609.56
Labor	
Logging Unit	
Tool and Equipment Rental	4,629.81
Water and Fuel	3,030.13
Casing Supplies	4,283.39
Drilling Mud and Chemicals	11,433.28
Company Supervision (\$800. per mo.)	2,400.00
Contingencies 5%	12,000.00

Carlsbad-Grace
No 1
Well Cost

Single Completion TOTAL INTANGIBLES

TANGIBLES

Casing, Conductor	450.00
Casing, Surface 350' of 13 3/8"	3,201.57
Casing, Protection 5400' of 9 5/8"	29,688.59
Casing, Production 12,000' of 4 1/2"	40,268.47
Casing, Other Liner 4 1/2"	3,139.14 (Includes Bond Coating \$640.64)
Tubing, 23,305' 2 3/8" (two strings)	19,952.17
Packer	6,012.03
Flow Lines	
Well Head Equipment	15,358.39
Surface Equipment	18,000.00
Dual Completion TOTAL TANGIBLES	136,070.36
Dual Completion TOTAL WELL COST	417,012.06



Telegram

1972 SEP 26 PM 3 14

(207).

KA033 NSA165

NS MDA018 PB PD=MIDLAND TEX 26 207P CST=
NEW MEXICO OIL CONSERVATION COMM, ATTN H L PORTER JR=
BOX 1148 SANTIAGO NMEX=

RE CASE 4819 ATLANTIC RICHFIELD CO. OWNER OF LEASE IN
SW QUARTER, SECTION 24, T22S, R26E, EDDY COUNTY NMEX
HAS FARMED OUT THIS INTEREST TO N. P. GRACE AND HIS
WIFE CORINNE. GRACE ET AL WILL TAKE ATLANTIC RICHFIELDS
POSITION ON COMPULSORY POOLING OF THIS TRACT=

J R RHOTENBERRY DIST. ENGINEER.==

4819 SW 24 T22S R26 ET AL.

WU 1201 (R 5-69)

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 27, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 4829: Application of Coastal States Gas Producing Company for a special depth bracket allowable, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special depth bracket allowable greater than the present allowable for the Vada-Pennsylvanian Pool, Lea and Roosevelt Counties, New Mexico.
- CASE 4830: Application of Mobil Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Vacuum-Abo Unit Area comprising 5,680 acres, more or less, of Federal, State, and Fee lands in Township 17 South, Ranges 34 and 35 East, Lea County, New Mexico.
- CASE 4831: Application of Mobil Oil Corporation for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in its North Vacuum-Abo Unit Area by the injection of fluid into the North Vacuum-Abo Pool through 34 wells located in Township 17 South, Ranges 34 and 35 East, Lea County, New Mexico.
- Applicant further seeks a procedure whereby additional producing and injection wells may be approved without notice and hearing.
- CASE 4832: Application of Pennzoil Company for pool reclassification, special pool rules, and a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Northwest Todd-San Andres Gas Pool to an associated pool for the production of gas and oil and the promulgation of special rules therefor including provisions for the classification of oil and gas wells, oil and gas spacing, and a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil.
- Applicant further seeks approval of an 80-acre non-standard oil proration unit in the subject pool comprising the NW/4 SW/4 and the SW/4 NW/4 of Section 8, Township 7 South, Range 35 East to be dedicated to its Superior State "Com" Well No. 1 located in Unit L of said Section 8.
- CASE 4833: Application of Tesoro Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 of Section 28, Township 20 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and from 1160

(Case 4833 continued from page 1)

to 1200 feet from the East line of said Section 28, adjacent to the Springs-Upper Pennsylvanian Gas Pool.

Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4834: Application of Read & Stevens, Inc. for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a Devonian test well at an unorthodox location 1200 feet from the South line and 660 feet from the East line of Section 2, Township 14 South, Range 37 East, Lea County, New Mexico, adjacent to the King-Devonian Pool.

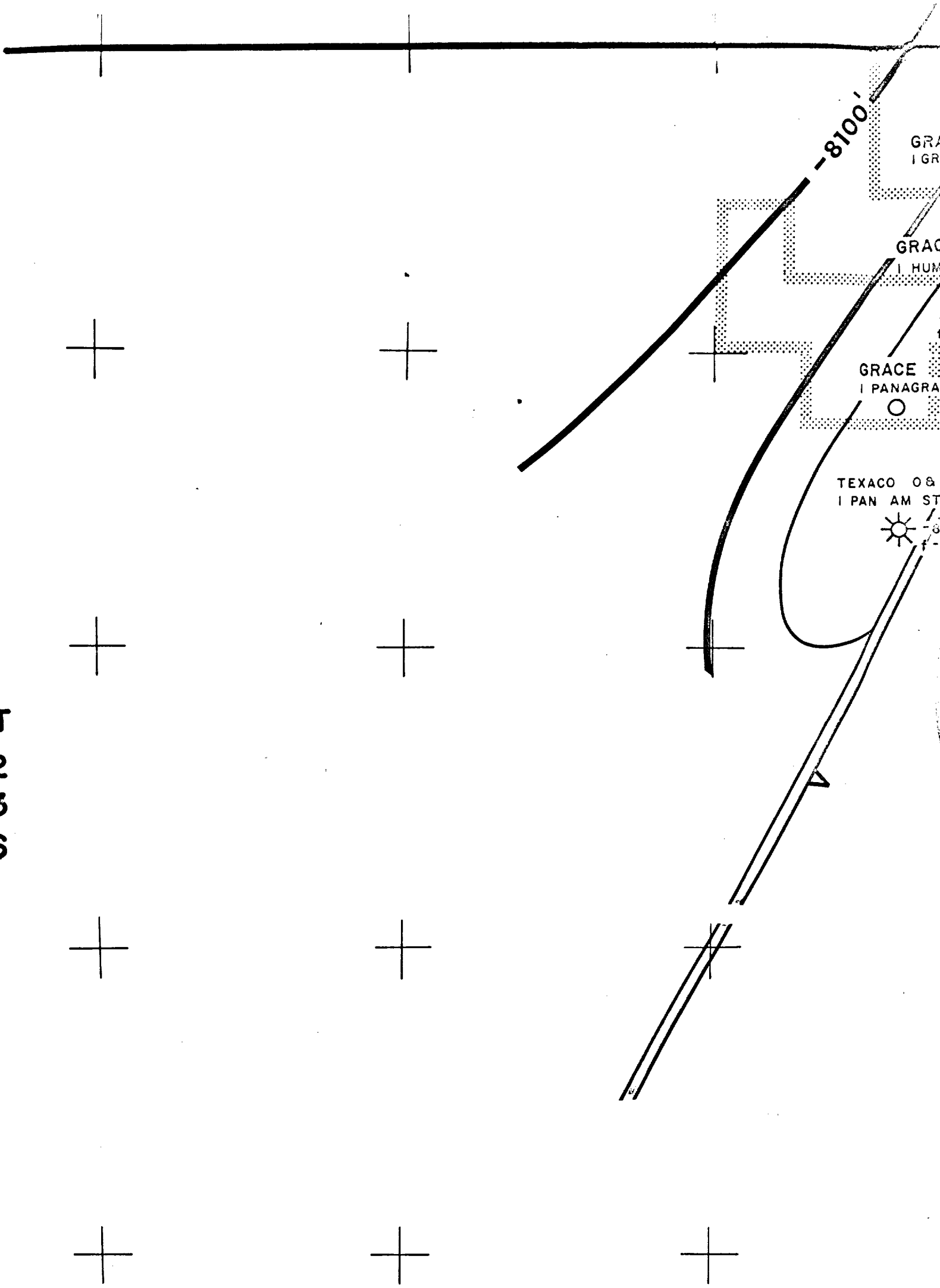
CASE 4835: Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Pennsylvanian formation underlying the S/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field area, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 13. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4836: Application of Michael P. Grace II and Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field area, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location for said unit. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision for said well.

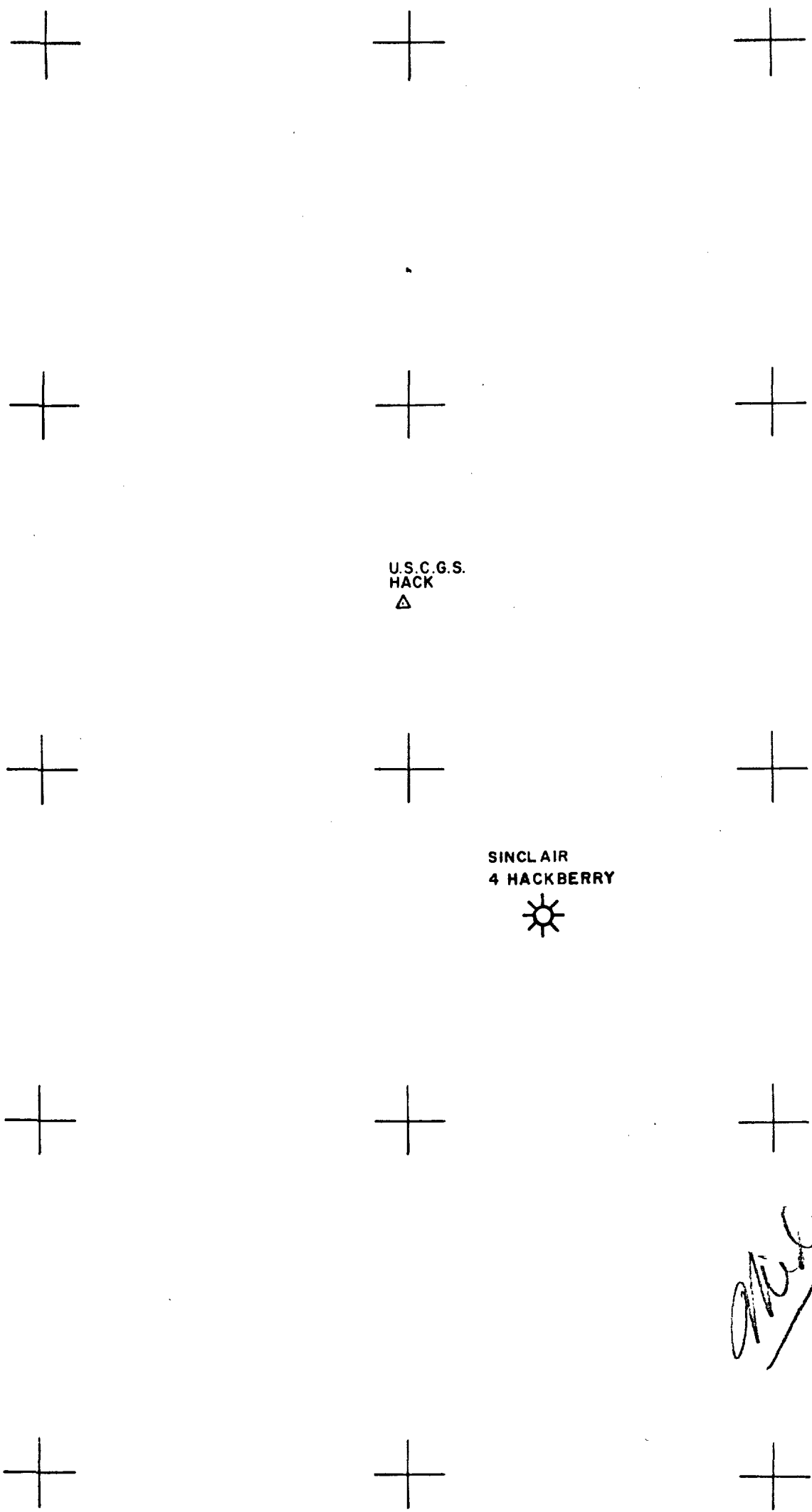
CASE 4819: (Continued from the September 13, 1972, Examiner Hearing)
Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

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DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 27, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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- Applicant further seeks a procedure whereby additional producing and injection wells may be approved without notice and hearing.
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- CASE 4833: Application of Tesoro Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 of Section 28, Township 20 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and from 1160

(Case 4833 continued from page 1)

to 1200 feet from the East line of said Section 28, adjacent to the Springs-Upper Pennsylvanian Gas Pool.

Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4834: Application of Read & Stevens, Inc. for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a Devonian test well at an unorthodox location 1200 feet from the South line and 660 feet from the East line of Section 2, Township 14 South, Range 37 East, Lea County, New Mexico, adjacent to the King-Devonian Pool.

CASE 4835: Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Pennsylvanian formation underlying the S/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field area, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 13. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4836: Application of Michael P. Grace II and Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field area, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location for said unit. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision for said well.

CASE 4819: (Continued from the September 13, 1972, Examiner Hearing)
Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

FOR REPORTERS USE	NO PURCHASER	PRODUCTION UNIT NUMBER	SCHEDULE 2 PRODUCT SALES		SCHEDULE 3 DEDUCTIONS		SCHEDULE 4 TAXES AND ROYALTY REMITTED WITH THIS REPORT					STATE ROYALTY
			G Z X	H VOLUME BBL-MCF	J VALUE	K TRUCKING EXPENSE	L ROYALTY EXEMPTION	N SCHOOL TAX	O SEVERANCE TAX	P CONSERVA- TION TAX	R AD VALOREM TAX	
State		13688	O	None								
		13688	G	None								
Indian Hills		14110	O	None								
		14110	G	3752	975.13			121.89	21.76	21.33	1.19	11.02
C. Of Carlbad		14379A	O	None								
		14379A	G	17533	5409.09*	✓		676.14	120.69	118.32	6.63	61.11
		14379B	O	None								
		14379B	G	18133	5593.95*				142.65	139.85	7.83	72.23
Gradonoco		14341A	O	None								
		14341A	G	69567	21461.96			2682.75	478.87	469.48	26.29	242.47
		14341B	O	None								
		14341B	G	69401	21410.51			2676.31	477.72	468.36	26.23	241.90
Humble-Grace		14342A	O	None								
		14342A	G	134179	41395.27			5174.41	923.63	905.52	50.70	467.68
		14342B	O	None								
		14342B	G	80508	24837.16				633.34	620.92	34.77	320.69
TOTAL THIS PAGE -			G	393073	121083.07			11331.50	2798.66	2743.78	153.64	1417.10
GRAND TOTAL LAST PAGE ONLY -			G	393073	121083.07			11331.50	2798.66	2743.78	153.64	1417.10

USE DECIMALS TO DESIGNATE CENTS. DO NOT USE COMMAS TO DESIGNATE THOUSANDS.

I certify that this a true and correct copy of Corinne Grace's Feb., 1972,
Operator's Unit Report. Payment received August 28, 1972.

Oil and Gas Accounting Commission

Antonio L. Martinez
ANTONIO L. MARTINEZ
Executive Director

FOR REPORTERS USE	NO PURCHASER	PRODUCTION UNIT NUMBER	SCHEDULE 2 PRODUCT SALES		SCHEDULE 3 DEDUCTIONS		SCHEDULE 4 TAXES AND ROYALTY REMITTED WITH THIS REPORT					STATE ROYALTY
			H VOLUME BBL-MCF	J VALUE	K TRUCKING EXPENSE	L ROYALTY EXEMPTION	N SCHOOL TAX	O SEVERANCE TAX	P CONSERVA- TION TAX	R AD VALOREM TAX		
State		13688	0	None								
		13688	G	None								
Indian Hills		14110	0	175	622.50							
		14110	G	11742	3054.77		381.85	68.16	66.82	3.74	34.51	
Co. of Carlsbad		14379A	0	None								
		14379A	G	116416	35915.01*	✓	4489.38	801.35	785.64	44.00	405.77	4489.38
		14379B	0	None								
		14379B	G	120394	37142.41*	✓		947.13	928.56	52.00	479.58	
Madonoco		14341A	0	None								
		14341A	G	82594	25480.87		3185.10	568.54	557.39	31.21	287.88	3185.10
		14341B	0	None								
		14341B	G	82396	25419.79		3177.47	567.18	556.06	31.14	287.19	
Amble-Grace		14342A	0	None								
		14342A	G	125604	38749.60		4843.70	864.60	847.64	47.46	437.79	4843.70
		14342B	0	None								
		14342B	G	75362	23249.76			592.86	581.24	32.54	300.20	
TOTAL THIS PAGE -			0	185	825.50							
GRAND TOTAL LAST PAGE ONLY -			G	614508	189056.24		16077.50	4409.82	4323.35	242.09	2232.92	12518.18

USE DECIMALS TO DESIGNATE CENTS. DO NOT USE COMMAS TO DESIGNATE THOUSANDS.

I certify that this is a true and correct copy of Corinne Grace's March, 1972, Operator Unit Report. Payment received August 28, 1972.

OIL AND GAS ACCOUNTING COMMISSION

Antonio L. Martinez
ANTONIO L. MARTINEZ
Executive Director



CITIES SERVICE OIL COMPANY

800 Vaughn Building
Midland, Texas 79701
Telephone: 915 684-7131

February 3, 1972

RECEIVED
FEB - 4 1972
OIL CONSERVATION COMM.
SANTA FE

State of New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

*grw
file
Case 4643*

Subject: Case No. 4643,
Order No. R-4239.

Gentlemen:

As set out in Paragraph 3 of Page 3 of the above mentioned Order, Cities Service is required to furnish you with the attached copies of the itemized schedule of estimated well costs.

If we can be of further assistance, please advise.

Yours truly,

CITIES SERVICE OIL COMPANY

Ronnie G. Ward

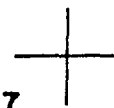
Ronnie G. Ward
Landman

RGW:vp

Attachment



12



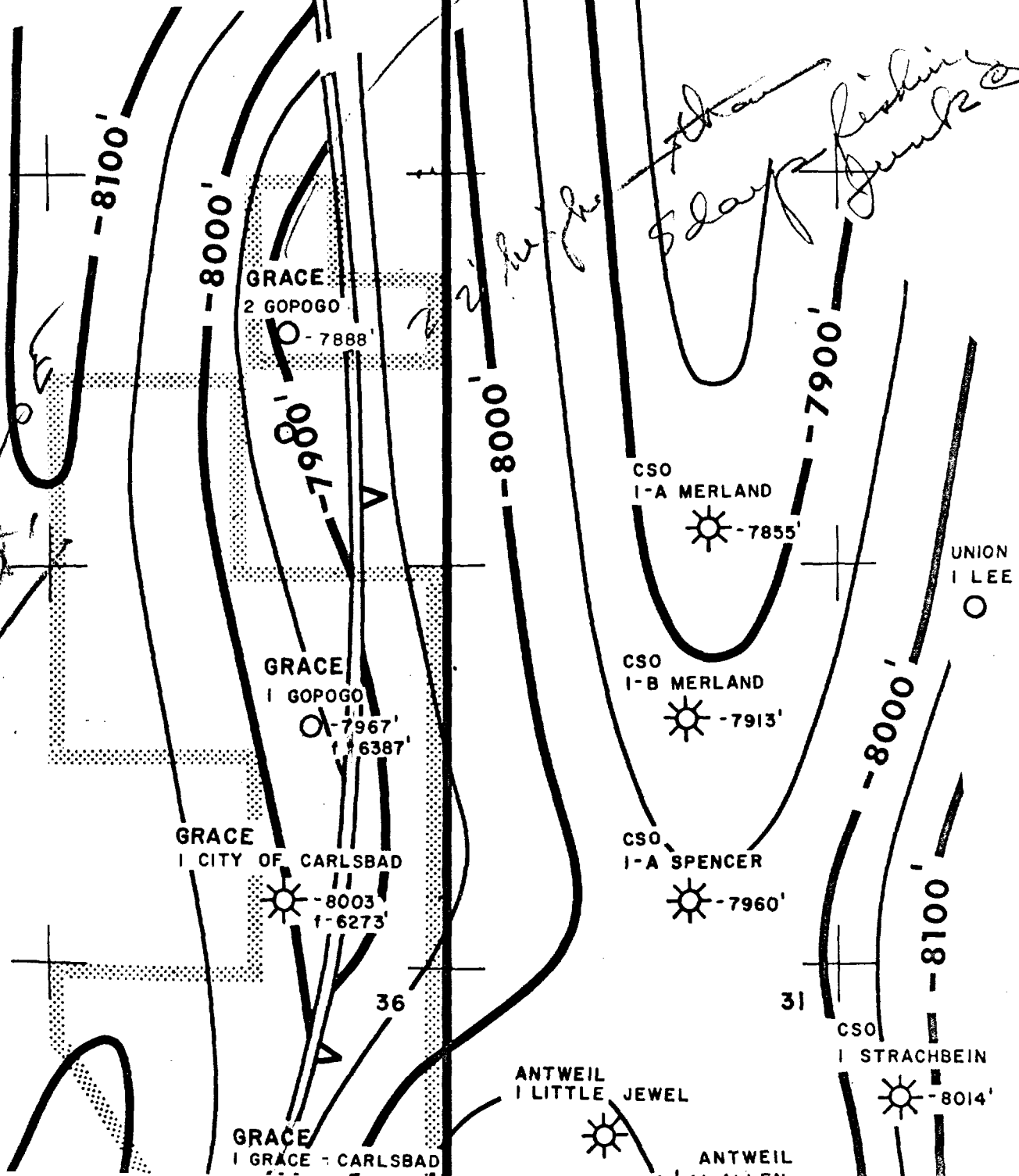
7



100,000 AOF

*235-20
Pierfoot*

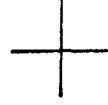
*2 1/2 miles
shallow fishing
grounds*



R 27 E



UNION
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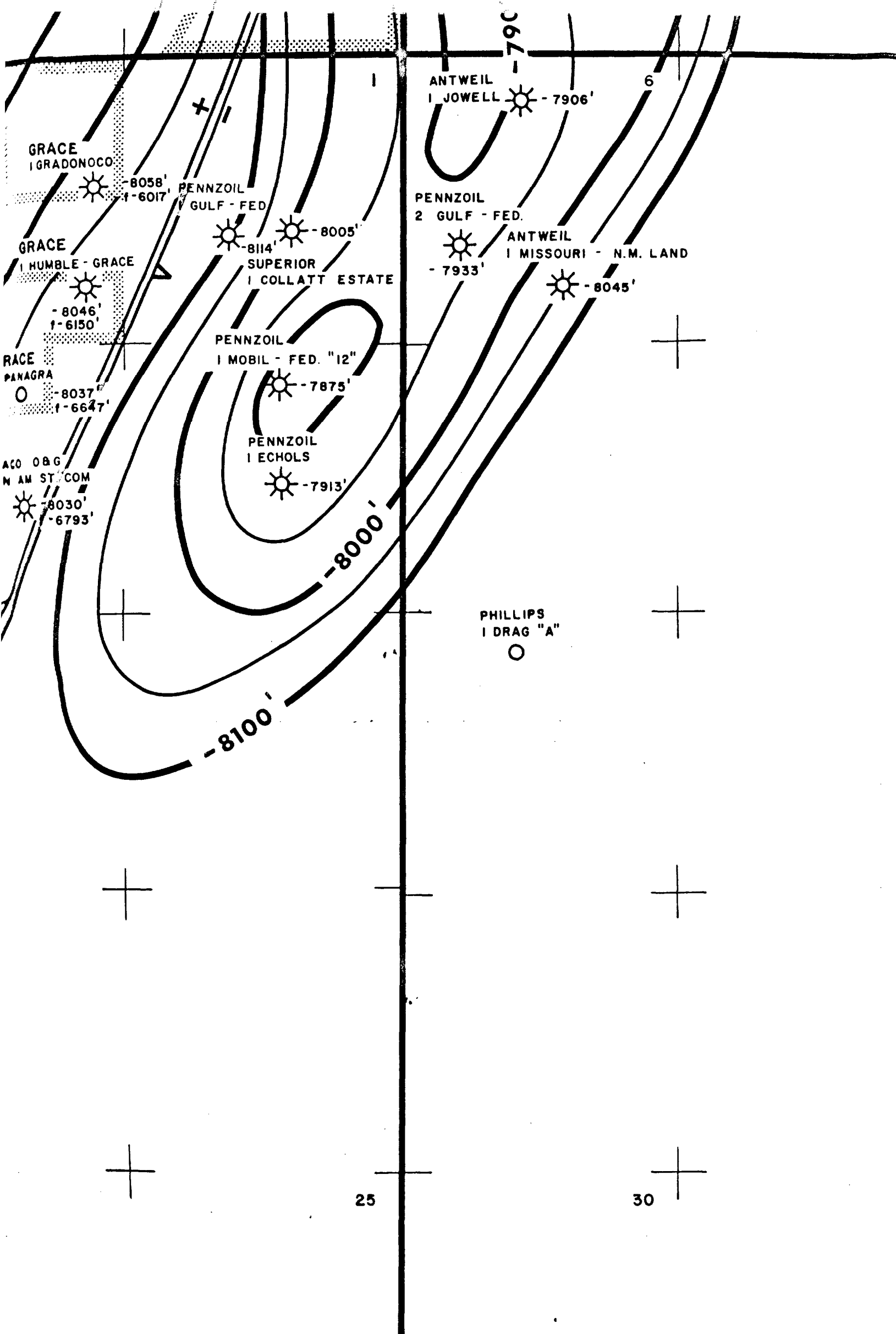
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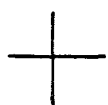
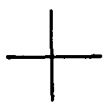


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TETRA TECH, INC.

PASADENA

CALIFORNIA

OPERATIONS DIVISION

MORROW STRUCTURE

SOUTH CARLSBAD FIELD, NEW MEXICO

FOR

MICHAEL P. GRACE , OPERATOR

CONTOUR INTERVAL:		50 FEET		DATE: JULY, 1972	
INTERPRETATION BY	JOB ORDER	DATUM	SCALE	CHECKED	
T. A. BALDWIN	T/C 276		1" = 2000'	DATE	INITIAL

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

AUG 21 1972

O. C. C.

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name Merchant
9. Well No. 1
10. Field and Pool, or Wildcat So. Carlsbad, Morrow
12. County Eddy
19. Proposed Depth 12,100
19A. Formation Morrow
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3174 gn.
21A. Kind & Status Plug. Bond 1 well 5000.00
21B. Drilling Contractor Not selected
22. Approx. Date Work will start Within 90 Days

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	2. Name of Operator D. L. Hannifin	3. Address of Operator P. O. Box 182, Roswell, New Mexico	4. Location of Well UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE OF SEC. 24 TWP. 22S RGE. 26E NMPM
23. PROPOSED CASING AND CEMENT PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
17 1/2"	13 3/8"	48	350
12 1/4"	9 5/8"	40-36	5300
8 3/4"	5 1/2"	17-20	12100

Blowout Prevention Program as follows:

1. One set blind rams
2. One set drill pipe rams
3. One hydrill
4. One rotating head

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed *D. L. Hannifin* Title *Operator* Date *8-21-72*
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator D. L. Hannifin			Lease Merchant		Well No. 1
Unit Letter J	Section 24	Township 22 South	Range 26 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground Level Elev.	Producing Formation Morrow		Pool South Carlsbad	Dedicated Acreage: 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.) Unitized, Communitized or Force Pooled

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.

		<p align="center">RECEIVED</p> <p align="center">AUG 21 1972</p> <p align="center">O.C.C.</p> <p align="center">ARTESIA, OFFICE</p>	
		<p align="center">CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i></p> <p>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date 8/21/72</p> <p>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.</p> <p>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p>	

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

RECEIVED

AUG 21 1972

O. C. C.
ARTESIA, OFFICE

EXHIBIT

W. E. Walling	118/160
E. W. Douglas	Lots 5, 7, 9, 19, 6, 8, 10
J. N. Nelson	Lots 5, 7, 9, 19, 6, 8, 10
James E. Smith	Lots 5, 7, 9, 19, 6, 8, 10
James L. Wood	Lot 19
Andry M. Ingram	Lots 20, 21, 22
Atlantic Richfield	1/16th. of 8/8ths

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

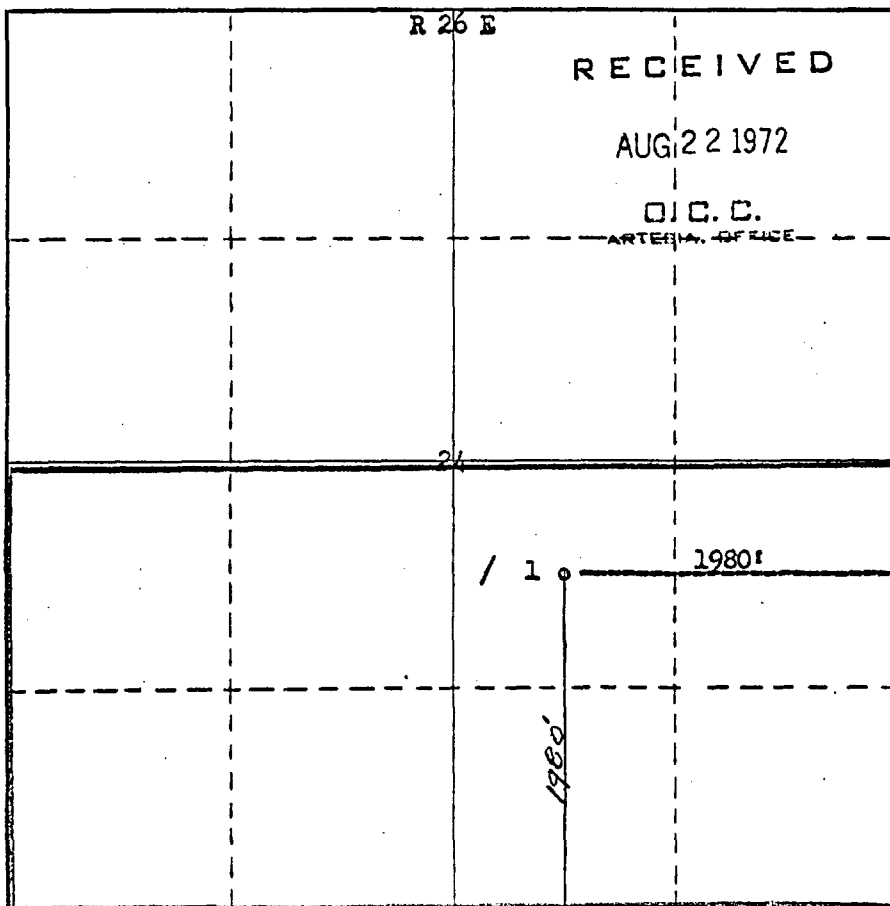
Operator D.L. HANNIFIN			Lease MERCHANT Fee		Well No. 1
Unit Letter J	Section 24	Township 22South	Range 26 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground Level Elev: 3174	Producing Formation		Pool	Dedicated Acreage: 320 Acres	

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 _____

Position _____

Company _____

Date _____

I hereby certify that the location shown on the plat is based on field notes and 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.

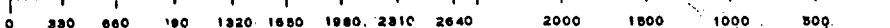
Date Surveyed _____

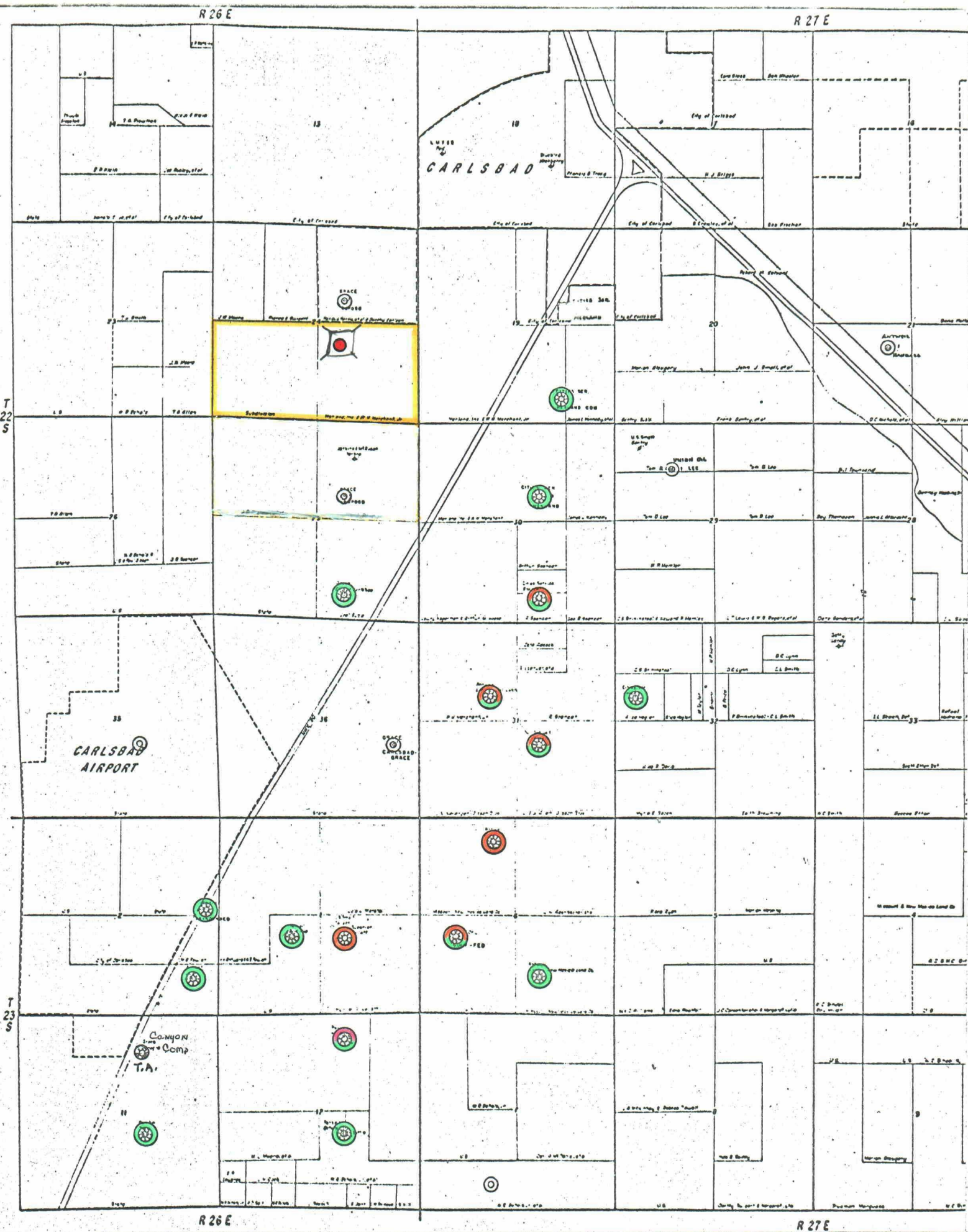
August 21st, 1972

Registered Professional Engineer
and/or Land Surveyor

Certificate No. **542**

T
22
S








CASE No. 4819

Exhibit No. 1

SOUTH CARLSBAD FIELD AREA

PRODUCTION CODE

-  Strawn Completion
-  Atoka Completion
-  Morrow Completion

 Proposed Location

 Proration Unit

W. J. LeMay - Geologist

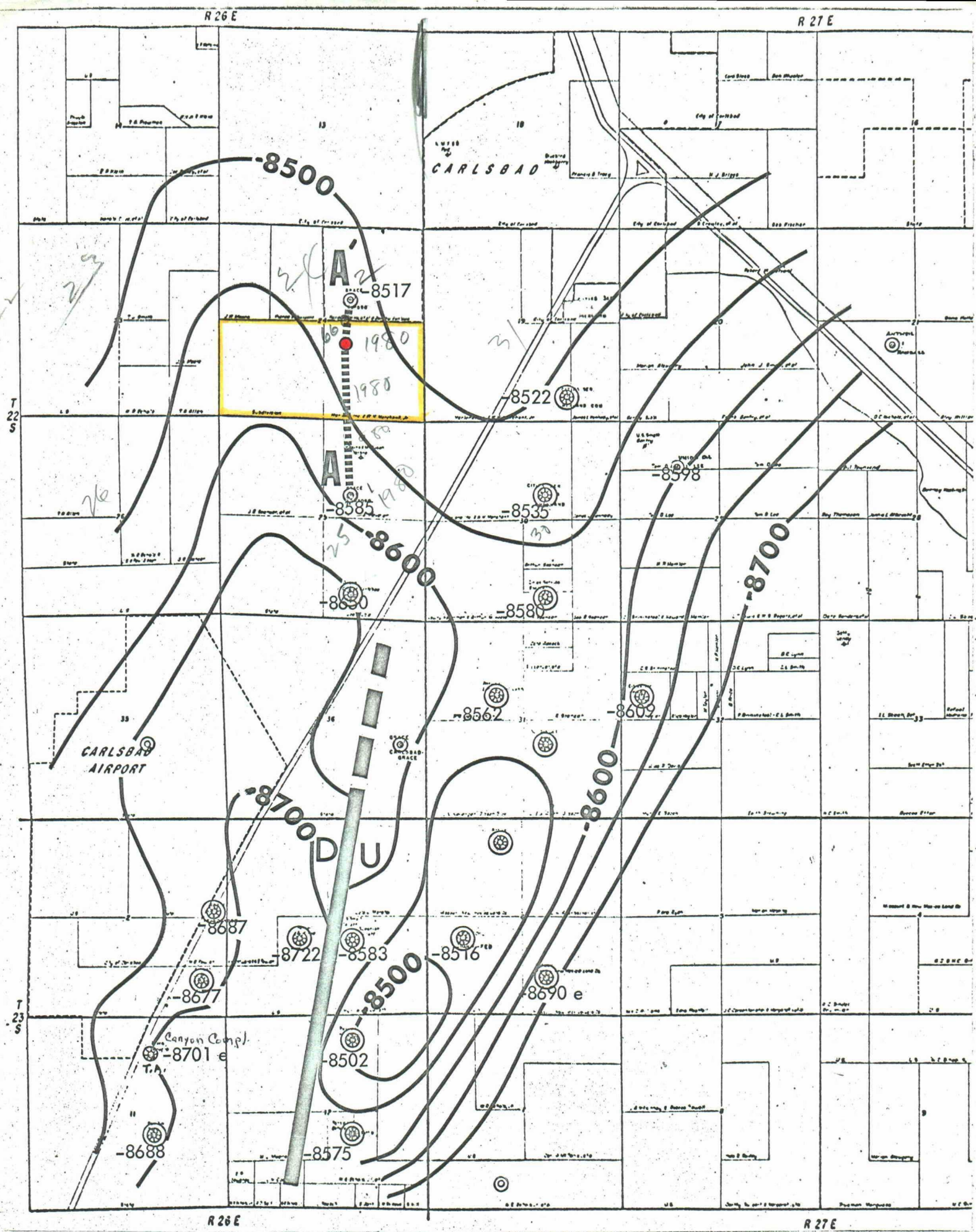
STATE EXAMINER UTZ
OIL CONTAMINATION COMMISSION

Hannigan EXHIBIT NO. 1

CENO. 41819

NAME Bill L. May

DATE 27 Sep 72



CASE No. 4819

Exhibit No. 2

CHESTER STRUCTURE MAP

Datum: Top Chester

C. I. : 50 feet

*Top Chester
on Base of Monsoon*



Proration Unit

Proposed Location

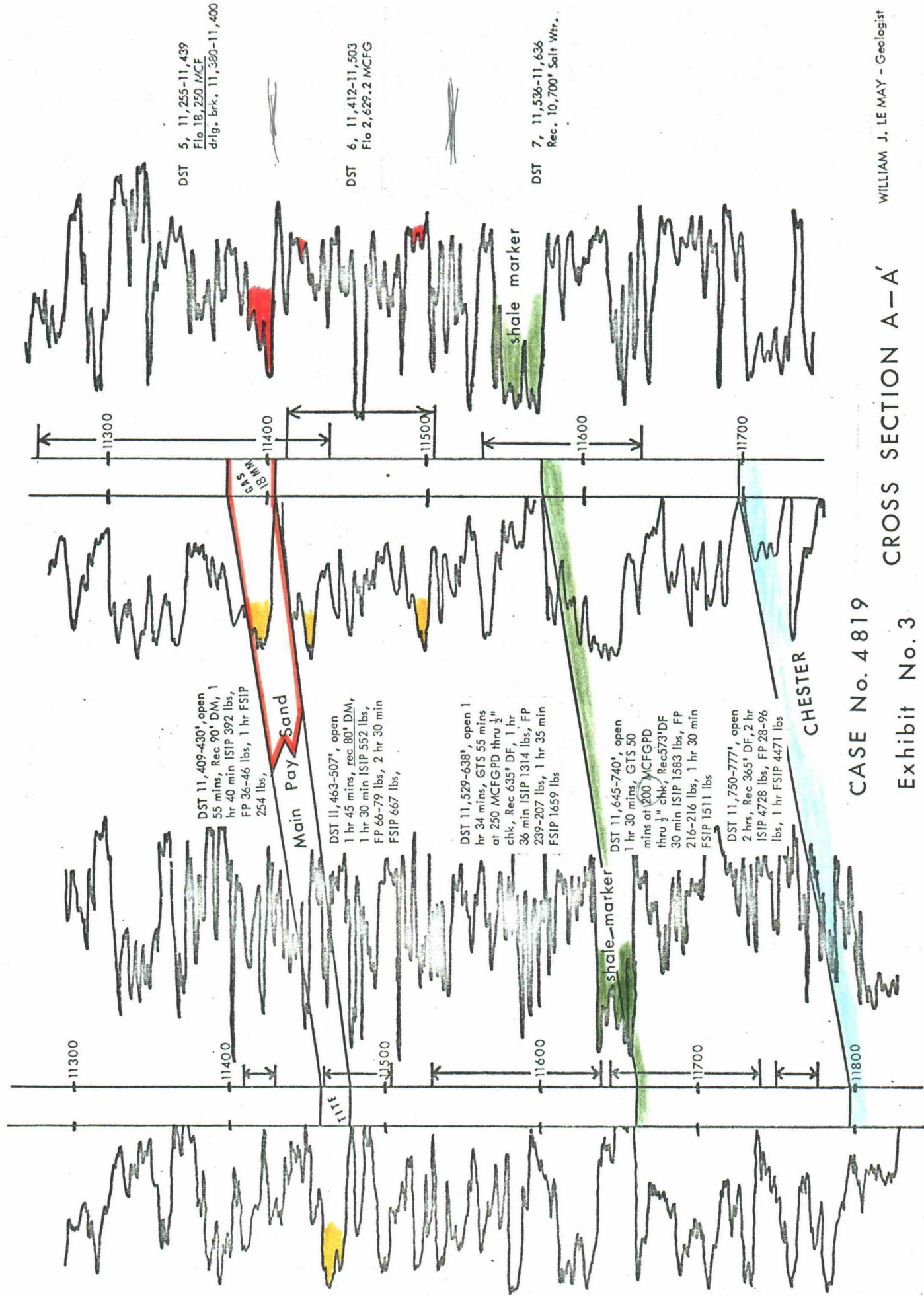
Cross Section A-A'

W. J. LeMay - Geologist

BY MICHAEL E. GIZ
CALIFORNIA ELECTION COMMISSION
HANNIFIN EXHIBIT NO. 2
4819
Bill LeMay
27 Sep 72.

A
CORINNE GRACE GO PO GO NO. 1
SOUTH CARLSBAD, EDDY, NEW MEXICO
1980' FNL & 1980' FEL
Sec. 25 TWP 22-S RGE 26-E

A'
CORINNE GRACE GO PO GO NO. 2
SOUTH CARLSBAD, EDDY, NEW MEXICO
1980' FNL & 1980' FEL
Sec. 24 TWP 22-S RGE 26-E



CASE No. 4819

CROSS SECTION A-A'

Exhibit No. 3

WILLIAM J. LE MAY - Geologist

CERTIFICATE OF EXAMINATION
OIL CONSERVATION COMMISSION

HANNIFIN EXHIBIT NO. 3

CASE NO. 4819

Exempted by Bill Reiman

Hearing Date 27 Sep 72

September 21, 1972

D. L. Hannifin
P.O. Box 182
Roswell, New Mexico 88201

Re: S $\frac{1}{2}$ of Sec. 24
T22S-R26E, Eddy County, N.Mex.

Dear Sir:

This is to notify you that Merland, Inc. does voluntarily approve the pooling and communitization of the South Half of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico.

We believe that D. L. Hannifin or his assigns should operate the unit, and do approve D. L. Hannifin or his assigns as operators.

We are strongly opposed to Michael P. Grace and/or Corinne Grace as operators of the above unit.

Very sincerely,

Merland, Inc.

Mary Frances Merchant
President

HANNIFIN

CT NO. 4

4819

HANNIFIN

27 Sep 72

DAN HANNIFIN - 11,800' TEST
 Section 24, T22S, R26E
 Eddy County, New Mexico

ESTIMATED AFE COST

Stake well	\$ 150
Damages, location and roadway	2,500
350' 13 3/8 43* H-40 @ 8.20	2,870
5300' 9 5/8	---
3400' 9 5/8 36# K-55 @ 5.64	19,176
1100' 9 5/8 40# K-55 @ 6.27	6,897
850' 9 5/8 40# N-80 @ 7.76	6,596
Cement 13 3/8	1,590
Cement 9 5/8	6,820
13 3/8 Float Equipment	150
9 5/8 Float Equipment	700
13 3/8 X 9 5/8 casinghead	2,000
Drilling mud	20,000
Logs	10,000
Rig time to log	2,000
4 - DST's at \$3000 each	12,000
Welding, etc.	1,000
Contingencies	9,000
	<u>\$103,449</u>
4% tax	4,138
	<u>\$107,587</u>
11,800' drilling at \$8.90	105,020
4% tax	4,200

ESTIMATED DRY HOLE COST

\$216,807

11,800' - 5 1/2

900' 5 1/2 17# N-80 Buttress @ 3.66	3,295
8950' 5 1/2 17# N-80 @ 3.43	30,700
2140' 5 1/2 20# N-80 @ 4.04	8,690
11,800' 2 3/8 4.7# N-80 tubing @ \$1	11,800
Cement 5 1/2	5,470
Perforating	1,500
Acidizing and Treat	6,500
Tank battery and etc.	7,000
Labor and trucking	3,000
Miscellaneous and contingencies	7,000

COMPLETION COST

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 EXHIBIT NO. 5
 CASE NO. 4819
 Hearing Date 9-27-72

\$ 84,955
 4% tax 3,400

TOTAL COST COMPLETED WELL by

\$305,162

APPROVED:

Date _____
 Company _____
 Title _____

[Handwritten signature]

DETAILED WELL ESTIMATE

Report by: J. F. Schuman
Requested by: E. F. Hottel

NUMBER 171 LEASE Newham 131
CONTRACTOR LOCATION
DATE 3-12-71 SECTION Sec. 24-223-26E
J. O. NO. DEPTH 11,800 COUNTY Eddy STATE New Mexico

DESCRIPTION	GRADE	SIZE	QUAN.	W	ESTIMATE PRODUCER	ESTIMATE DRY HOLE	REVISED ESTIMATE	ACTUAL COST
TANGIBLES								
Casing 4 1/2" SYD @ \$6.70	A	3 2/8	350	48	2345	2345		
1-55 SYD @ 3.34	A	1 5/8	2400	24	7348	7348		
1-40 SYD @ 4.06	A	2 5/8	1400	32	5684	5684		
1-55 SYD @ 4.15	A	3 5/8	1200	32	4980	4980		
1-55 SYD @ 4.65	A	4 5/8	600	36	2325	2325		
11-80 But. loss @ 2.96	A	5 1/2	900	17	2364			
11-80 LBS @ 2.85	A	5 1/2	9100	17	26026			
11-80 LBS @ 3.37	A	5 1/2	1800	20	6066			
Well head connections					5000	2000		
Packer					1000			
Tubing @ \$4.78	A	2 3/8	11200	4.7	8726			
Sucker rods								
Bottom hole pump								
Engine or motor								
Pumping unit								
Block tool equip. Inc. Labor & Trans.								
Line pipe, fittings Inc. Labor & Trans.								
TANGIBLES								
Stack tanks								
G. B., separator, free water K. O. tank								
Separator, heater treater, etc.					7000			
Cost to install T. O.					1500			
INTANGIBLES								
Contract Drilling (average) \$8.95/ft.			11800		105610	105610		
Relay day work \$1425					11400	11400		
Wellhead work Unit & Trans.					4000			
Subsidence curing equipment					3000	1500		
D. S. T., electric logs, etc.					15000	15000		
Acidizing, fracturing					2000			
Perforating					2000			
Office, company and contract labor					2000	1000		
Road building, location					3000	2000		
Cement & cementing service					9000	6000		
Cement concrete jobs								
Drilling mud, chemicals					20000	20000		
Drilling bits, corebars, rockers								
Mud logging unit					1500	1500		
Repair of subsidence equip.					4000	2000		
Company, contract hauling					6000	3000		
Water, fuel					9000	3000		
Miscellaneous lost funds					10000	5000		
Total estimated cost - 100%					287184	205592		
Total estimate C. S.								

BEFORE EXAMINER USE
OIL CONSERVATION COMMISSION

Hannifin EXHIBIT NO. 7

CASE NO. 4819

Submitted by

Hearing Date

W. P. F. Co.	PRINCE OF COST	DATE WORK BEGAN	DATE OF COMPLETION
(So. Carlisle)	100%	6/24/1971	9/19/71
	Single Completion		

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF (A) PENNSYLVANIA GAS ZONES

Work Detail

INTANGIBLES	
Location and Road: Title exam. & related work	2,845.46
Survey and Permit	410.48
Road and Location Preparation	1,250.00
Surface Damages	60.00
Fencing-Filling Pits-Cleanup	1,439.88
Drilling Turnkey	101,595.20
ft. at _____ per foot	
W/P, 14 3/4 Hrs. Rig time at 71.875	1,102.56
W/P, 72 3/4 Hrs. Rig time at 59.375	4,492.31
Drill Pipe - Tool Rental	
Drilling Bits at for testing	
Bits at _____	
Reamer Cutters	
Core Barrel - Core Head Rental	
Day Work, Testing, Logging, etc	20,280.00
Casing Cementing	13,258.44
Grout Cementing or Plugging	
Logging - Sidewall Coring Log Suite	12,025.51 ✓
Core Analysis	
Formation Testings D.S.T.'s	5,720.00
Perforating	2,835.96
Gravelizing and FRAC	
Special Rig Completing	
Other Services Welding, etc.	135.72
Drilling	36.40
Geology	6,011.36
Engineering	3,490.56
Labor	348.80
Logging Unit	
Tool and Equipment Rental	4,893.50
Oil and Fuel	3,273.73
Drilling Supplies	2,611.76
Drilling Mud and Chemicals	27,376.36
Heavy Supervision (\$800.00 per mo.)	2,400.00
Contingencies: 5% (under 3%)	12,000.00
Temperature Surveys	3,385.72

Gradonco #1
operators: Michael P.
and Corinne Grace

Single Completion TOTAL INTANGIBLES

TANGIBLES	
Log, Conductor	255.26
Log, Surface 404.10 of 13 3/8"	2,920.84
Log, Protection 562.60 of 9 5/8"	28,315.03
Log, Production 11.15' of 4 1/2"	1,279.37
Log, Other 11,434' of 7"	42,296.47
Log, 12,031,80' of 3/8"	12,431.06
Log	2,765.96
Flow Lines	

Head Equipment	10,325.22
Equipment	10,252.93
Single Completion TOTAL TANGIBLES	110,842.14
Single Completion TOTAL WELL COST	404,702.85

4819 8

OIL AND GAS ACCOUNTING COMMISSION

P. O. BOX 2308

SANTA FE, NEW MEXICO

1307

OPERATORS REMITTANCE REPORT
O-1

TAX REMITTANCE SCHEDULE

OIL AND GAS EMERGENCY SCHOOL TAX	(TOTAL OF COLUMN (N) OF 0-2 REPORT)	\$ 2798.66 ✓
OIL AND GAS SEVERANCE TAX	(TOTAL OF COLUMN (O) OF 0-2 REPORT)	2743.78 ✓
OIL AND GAS CONSERVATION TAX	(TOTAL OF COLUMN (P) OF 0-2 REPORT)	153.64 ✓
OIL AND GAS AD VALOREM PRODUCTION TAX	(TOTAL OF COLUMN (R) OF 0-2 REPORT)	1417.10 ✓
TOTAL OF ABOVE LINES		7113.18
ADD INTEREST IF REMITTANCE IS PAST DUE		
ADD AMOUNT OF COMMISSION INVOICE #		
DEDUCT AMOUNT OF COMMISSION CREDIT # <u>Paid from Commission Invoice</u>		(9222.43)
TOTAL TAX REMITTANCE		\$ (208.25) 7113.18
MAKE CHECK PAYABLE TO: OIL AND GAS ACCOUNTING COMMISSION		
ATTACH CHECK, INVOICES AND CREDITS TO THIS REPORT		

STATE ROYALTY REMITTANCE SCHEDULE

OIL AND GAS STATE ROYALTY	(TOTAL OF COLUMN (S) OF 0-2 REPORT)	\$ 8533.30 ✓
ADD AMOUNT OF COMMISSION INVOICE #		(8625.38)
DEDUCT AMOUNT OF COMMISSION CREDIT # <u>Paid from Commission Invoice</u>		\$ (92.08) 8533.30
TOTAL ROYALTY REMITTANCE		
MAKE CHECK PAYABLE TO: COMMISSIONER OF PUBLIC LANDS		
ATTACH CHECK, INVOICES AND CREDITS TO THIS REPORT		

THIS REPORT SUBMITTED BY:

COMPANY Corinne Grace
ADDRESS c/o Oil Reports & Gas Services, Inc., Box 763, Hobbs, N. M. 88240
FOR THE MONTH OF February 19 72
CONSISTING OF 1 PAGES HAS BEEN
EXAMINED BY ME AND TO THE BEST OF MY
KNOWLEDGE AND BELIEF IT IS TRUE, COMPLETE
AND PURSUANT TO LAW AND REGULATION.
SIGNATURE Antonio L. Martinez
TITLE Agent DATE 6/22/72

I certify that this is a true and correct copy of Corinne Grace's
February, 1972, Operator's Remittance Report. Payment received
August 28, 1972.

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO.

CASE NO. 4819

Submitted by

Hearing Date

OIL AND GAS ACCOUNTING COMMISSION

Antonio L. Martinez
Executive Director

REPORT MONTH February 1972 PAGE 1

REPORTING COMPANY Corinne Grace

USE DECIMALS TO DESIGNATE CENTS. DO NOT USE COMMAS TO DESIGNATE THOUSANDS.

Oil and Gas Accounting Commission

ANTONIO L. MARTINEZ
Executive Director

OIL AND GAS ACCOUNTING COMMISSION

P. O. BOX 2308

SANTA FE, NEW MEXICO

OPERATORS REMITTANCE REPORT

O-1

1307

TAX REMITTANCE SCHEDULE

OIL AND GAS EMERGENCY SCHOOL TAX	(TOTAL OF COLUMN (N) OF 0-2 REPORT)	\$ 4409.82 ✓
OIL AND GAS SEVERANCE TAX	(TOTAL OF COLUMN (O) OF 0-2 REPORT)	4323.35 ✓
OIL AND GAS CONSERVATION TAX	(TOTAL OF COLUMN (P) OF 0-2 REPORT)	242.09 ✓
OIL AND GAS AD VALOREM PRODUCTION TAX	(TOTAL OF COLUMN (R) OF 0-2 REPORT)	2232.92 ✓
TOTAL OF ABOVE LINES		11208.18
ADD INTEREST IF REMITTANCE IS PAST DUE		
ADD AMOUNT OF COMMISSION INVOICE #		
DEDUCT AMOUNT OF COMMISSION CREDIT # <u>Paid from Commission Invoice.</u>		(11849.92)
TOTAL TAX REMITTANCE	Credit Due	\$ (5618.74) 17208.18
MAKE CHECK PAYABLE TO: OIL AND GAS ACCOUNTING COMMISSION		
ATTACH CHECK, INVOICES AND CREDITS TO THIS REPORT		

STATE ROYALTY REMITTANCE SCHEDULE

OIL AND GAS STATE ROYALTY	(TOTAL OF COLUMN (S) OF 0-2 REPORT)	\$ 12518.18 ✓
ADD AMOUNT OF COMMISSION INVOICE #		
DEDUCT AMOUNT OF COMMISSION CREDIT # <u>Paid from Commission Invoice.</u>		(-13133.47)
TOTAL ROYALTY REMITTANCE	Credit Due	\$ (615.29) 12518.18
MAKE CHECK PAYABLE TO: COMMISSIONER OF PUBLIC LANDS		
ATTACH CHECK, INVOICES AND CREDITS TO THIS REPORT		

THIS REPORT SUBMITTED BY:

COMPANY Corinne Grace

ADDRESS c/o Oil Reports & Gas Services, Inc., Box 763, Hobbs, N. M. 88240

FOR THE MONTH OF March 19 72

CONSISTING OF 1 PAGES HAS BEEN

EXAMINED BY ME AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, COMPLETE AND PURSUANT TO LAW AND REGULATION.

SIGNATURE

Corinne Grace

TITLE

Agent

DATE 6/22/72

I certify that this is a true and correct copy of Corinne Grace's March, 1972, Operator's Remittance Report. Payment received August 28, 1972.

OIL AND GAS ACCOUNTING COMMISSION

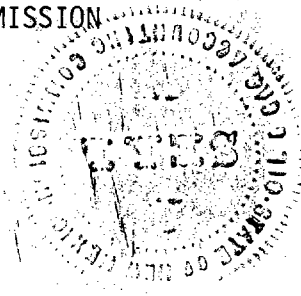
ANTONIO L. MARTINEZ
EXECUTIVE DIRECTOR

EXHIBIT NO. 10

CASE NO. 4819-1 4831

Submitted by

Hearing Date

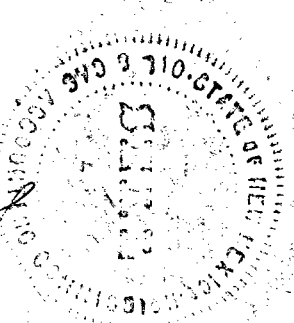


FOR REPORTERS USE	PRODUC-TION UNIT NUMBER	SCHEDULE 2 PRODUCT SALES		SCHEDULE 3 DEDUCTIONS		SCHEDULE 4 TAXES AND ROYALTY REMITTED WITH THIS REPORT					STATE ROYALTY
		G Q Z	H VOLUME BBL-MCF	J VALUE	K TRUCKING EXPENSE	L ROYALTY EXEMPTION	N SCHOOL TAX	O SEVERANCE TAX	P CONSERVA-TION TAX	R AD VALOREM TAX	
State	13688	O	None								
	13688	G	None								
Indian Hills	14110	O	175	622.50							
	14110	G	11742	3054.77		381.85	68.16	66.82	3.74	34.51	
Co. of Carlsbad	14379A	O	None								
	14379A	G	116416	35915.04*	✓	4489.38	801.35	785.64	44.00	405.77	4489.38
	14379B	O	None								
	14379B	G	120394	37142.41*	✓		947.13	928.56	52.00	479.58	
Madonoco	14341A	O	None								
	14341A	G	82594	25480.87		3185.10	568.54	557.39	31.21	287.88	3185.10
	14341B	O	None								
	14341B	G	82396	25419.79		3177.47	567.18	556.06	31.14	287.19	
Bumble-Grace	14342A	O	None								
	14342A	G	125604	38749.60		4843.70	864.60	847.64	47.46	437.79	4843.70
	14342B	O	None								
	14342B	G	75362	23249.76			592.86	581.24	32.54	300.20	
TOTAL THIS PAGE-		O	175	622.50							
GRAND TOTAL LAST PAGE ONLY-		G	614508	189455.24		16077.50	4409.82	4323.35	242.09	2232.92	12518.18

614683 189634.74

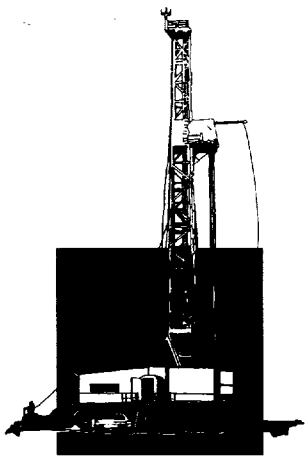
OIL AND GAS ACCOUNTING COMMISSION

Antonio L. Martinez
ANTONIO L. MARTINEZ
Executive Director



I certify that this is a true and correct copy of Corinne Grace's March, 1972, Operator Unit Report. Payment received August 28, 1972.

USE DECIMALS TO DESIGNATE CENTS. DO NOT USE COMMAS TO DESIGNATE THOUSANDS.



MORAN OIL PRODUCING & DRILLING CORPORATION

August 31, 1972

Mr. Dan Hannifin
P. O. Box 182
Roswell, New Mexico 88201

Dear Sir:

Thank you for the bid request on your proposed 11,800' Test located in Section 29, T22S, R27E, Eddy County, New Mexico.

We are pleased to submit the following footage offer:

Footage:

0 - 11,800' \$8.90 per foot, plus tax

Daywork:

0 - 11,800' \$1450.00 with drill pipe, plus tax
 \$1400.00 without drill pipe, plus tax

Our Rig No. 3, inventory attached, will be available October 1, 1972.

We sincerely appreciate your asking us to bid this work and hope to be of service to you in the near future.

Yours very truly,

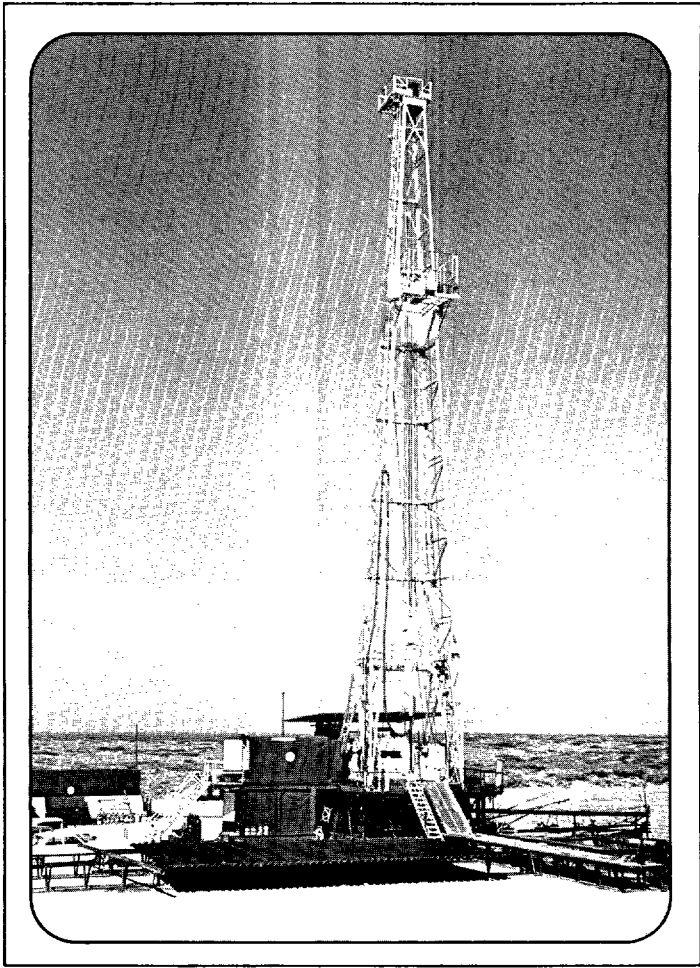
MORAN OIL PRODUCING & DRILLING CORP.

A handwritten signature in dark ink, appearing to read "K. D. McPeters". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

K. D. McPeters

KDMC/d
Attach.





7000' — 14,000'

DRAWWORKS

Mid-Continent U-712-A. *Catheads:* Make-up, Kelco; Break-out, Unit. *Drum:* 1 1/4" Lebus grooved. *Compound:* 2-engine oil bath chain drive. *Brake:* Hydromatic Parkersburg 40" double

ENGINES

Two 495-H.P. F-3520 Waukeshas, butane or natural gas. *Clutches:* 24" Fawick

DRILLING MAST

Lee C. Moore, 131', 550,000 # capacity. *Substructure:* 12' x 50' x 24' with 6' pony optional

TRAVELING EQUIPMENT

Block: Oilwell 450-ton. *Hook:* BJ 4300 350-ton. *Swivel:* National N-69 300-ton

MUD PUMPS

Pump No. 1: Gardner-Denver GRGXP Duplex, 700-H. P. with steel fluid end, 5" - 7 3/4" liners, 16" stroke. Compound-driven. *Pump No. 2:* Ideal C-250, 350-H. P., powered by one Waukesha NKR engine

LIGHTING SYSTEM

Generators: two Kohler 15 kw. A.C. light plants powered by

RIG FOR

Waukesha 180 GKB. *Lighting:* All lights fluorescent or mercury vapor. All vapor-proof.

DRILL PIPE

14,000', 4 1/2" Grade E. *Tool Joints:* 4" H-90, 6" OD*

BLOWOUT PREVENTERS

One Shaffer LWS hydraulic double 10" x 1500 series with Payne 4-valve accumulator closing unit. Manifold, 4" x 1500 series flanged connections. One Hydriil 10" x 1500 series

DRILL COLLARS

Thirty Drilco spiral-grooved 6 1/2" OD, 2 1/4" ID. Three Drilco square collars (6 3/4", 7 7/8", 8 3/4" OD's) *

MUD PITS

Three 8' x 5' x 30' steel pits. *Shale Shaker:* Link Belt double screen.

WATER STORAGE

Two 500-bbl. horizontal tanks

HOUSING

One 8' x 24' air conditioned trailer house with sleeping and cooking accommodations

COMMUNICATIONS

24-hour direct telephone interconnect through Hobbs (397-3291) or Midland-Odessa (563-0562)

*Other strings of pipe and collars available as specified.

MORAN OIL PRODUCING AND DRILLING CORPORATION

P. O. Box 1919 □ Hobbs, New Mexico 88240 □ (915) 563-0562 □ (505) 393-7176



The "more-hole-per-dollar" people



Dresser Atlas

DIVISION OF DRESSER INDUSTRIES, INC.

10201 WESTHEIMER, P.O. BOX 1407, HOUSTON, TEXAS 77001 • 713 SU 2-7100

Mr. Dan Hannifin

The following is the cost of the logging program for your 11,800 foot well in Carsbad Field;

Service Charge	\$ 200.00
BHC Acoustilog/Neutron Gamma Ray Caliper	\$4484.00
Laterolog from TD back to casing	\$1976.40
Micro-Laterolog from TD to casing	\$1921.50
Instrument Protection Charge	<u>\$ 15.00</u>
Total	\$8596.90

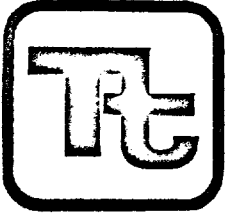
We will bring the logs to Midland office and make a Moveable Oil Plot at no charge.

CPE/jls

G P Engel

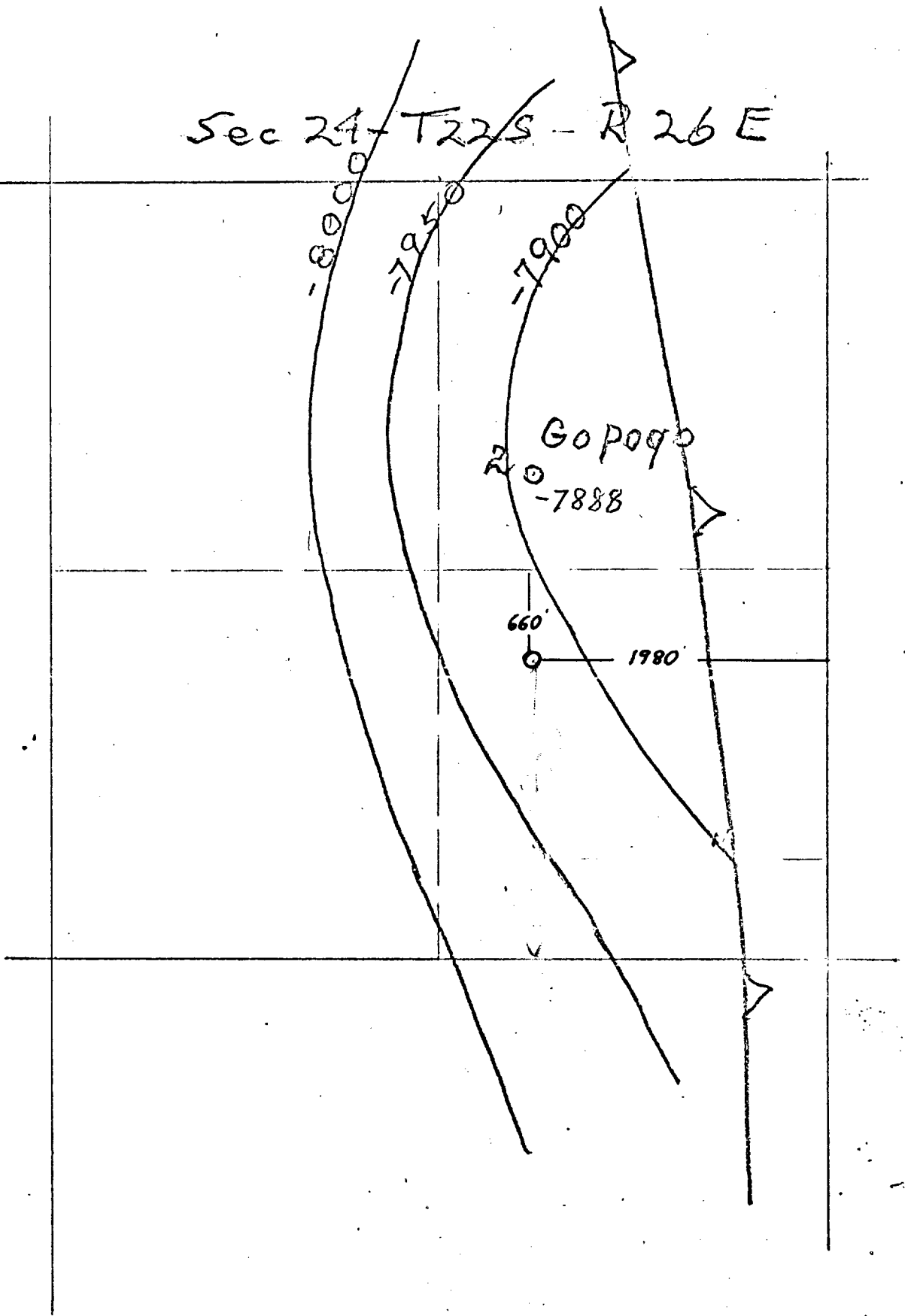
122

23
Hannifin
4819 + 11836



TETRA TECH, INC.
630 NORTH ROSEMEAD BLVD.
PASADENA, CALIFORNIA 91107
TELEPHONE (818) 448-8400

Sec 24 - T22S - R 26 E



STATE EXAMINER'S OFFICE	
OIL AND GAS REGULATION COMMISSION	
Case No.	2
Case No.	4836
Applicant	Baldwin
Effective Date	9/27/12

DRILLING VENTURE TO EVALUATE PRODUCTIVE POSSIBILITIES OF PENNSYLVANIA GAS ZONES

S½ of Section 24, Township 22 South,
Range 26 East, Eddy County, New Mexico

Title opinion, etc. - Legal work	2,800
Survey & Permit	400
Road and Location Preparation	1,250
Surface Damages	60
Fencing - Fill Pits - Cleanup	1,450
9700 ft. @ 10.20 per foot	98,940
Daywork w/D.P. 26 days @ \$1,675	43,550
Daywork wo/D.P. 5 days @ \$1,550	7,750
Formation Testing	5,700
Cement and Cementing	6,000
Logging	12,000
Other Services - Welding, etc.	150
Trucking	50
Geology	6,000
Engineering	1,500
Labor	350
Water and Fuel	3,300
Drilling Mud and Chemicals	8,000
Company Supervision	2,400
Cost to P & A	2,000
Contingencies	10,000
Casing Supplies	600

TOTAL INTANGIBLE DRILLING COSTS 214,250

Conductor Casing	250
13-3/8" Surface Casing - 400'	2,900
9-5/8" Protection Casing - 5400'	28,000

TOTAL TANGIBLE DRILLING COSTS 31,150

DRY HOLE COSTS 245,400

Intangible Completion Costs

Day Work wo/D.P. 3 days @ \$1,550	4,650
Completion rig - 5 days @ \$456/day	2,280
PDC and CBL Log	3,000
Cement and Cementing	6,000
Perforating	2,800
Engineering	2,000
Rental Equipment	4,900
Casing Supplies	2,000

TOTAL INTANGIBLE COMPLETION COSTS 27,630

7" OD Casing - 12,000'	57,000
2-7/8" OD Tubing - 12,000'	18,000
Wellhead Equipment	10,000
Surface Equipment	10,000

TOTAL TANGIBLE COMPLETION COSTS 95,000

Less P & A Costs 2,000

TOTAL COMPLETED WELL COSTS 366,030

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 3
CASE NO. _____
Submitted by _____
Hearing Date _____

*Signed Jack
Note
9-26-72*

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

WE THE UNDERSIGNED AS OWNER OR OWNERS OF THE OIL AND GAS AND OTHER MINERAL RIGHTS IN AND UNDER THE S/2 OF SECTION 24, T22S, R26 EAST, N.M.P.M. DO HEREBY REQUEST THAT MICHAEL P. GRACE II AND CORINNE GRACE BE MADE OPERATORS OF THE PROPOSED WELL WHICH IS TO BE DRILLED IN AN ORTHODOX LOCATION OF MR. GRACE'S CHOICE.

WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

Mr. & Mrs Jack L. Ingram

DEPOSE EXAMINER (
OIL CONSERVATION CO	
<i>Grace</i>	EXHIBIT NO. 4
AGE NO.	
by	
Date	

*Signed J. H. ...
9-26-72*

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

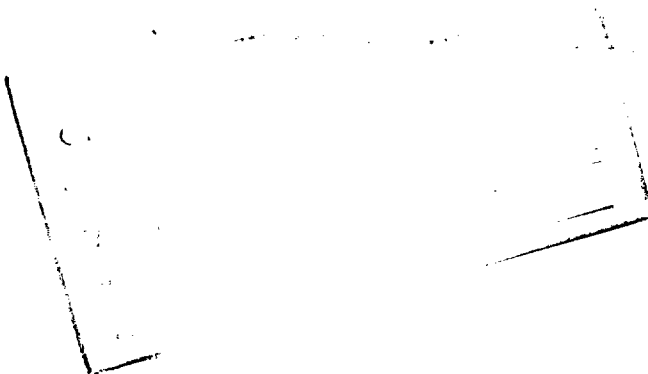
TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

Andrew Ingram

BEFORE EXAMINER UTZ
OIL CONSERVATION COMM.
Grace EXHIBIT NO. 5
CASE NO. _____
Submitted by _____
Filing Date _____





CITIES SERVICE OIL COMPANY

800 Vaughn Building
Midland, Texas 79701
Telephone: 915 684-7131

February 3, 1972

State of New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

*File
Case 4643*

Subject: Case No. 4643,
Order No. R-4239.

Gentlemen:

As set out in Paragraph 3 of Page 3 of the above mentioned Order, Cities Service is required to furnish you with the attached copies of the itemized schedule of estimated well costs.

If we can be of further assistance, please advise.

Yours truly,

CITIES SERVICE OIL COMPANY

Ronnie G. Ward

Ronnie G. Ward
Landman

RGW:vp

Attachment

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
<i>Case</i> EXHIBIT NO. <u>7</u>
CASE NO. _____
Submitted by _____
Hearing Date _____

BEST AVAILABLE COPY

ILLEGIBLE

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

Mr. & Mrs. Jack L. Ingram
Audrey Ingram
E. W. Douglas
Cleo C. Douglass
Miller & Rane
J. W. Nelson
Dona L. Nelson
Mr. & Mrs. James L. Woods
by Pearl Woods
James E. Smith
Voyzie & Smith

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION	
Grace	EXHIBIT NO. 8
CASE NO.	_____
Subscribed by	_____
Hearing	_____

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

James E. Smith
Voycie L. Smith

RECEIVED AT THE
OIL CONSERVATION COMMISSION

Grace UNIT NO. *9*

Filing Date _____

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

Mr & Mrs. James L. Woods
by Pearl Woods

DEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
Grace EXHIBIT NO. 10

Hearing Date _____

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

J. N. Nelson
Dona L. Nelson

EXAMINER UTZ
OIL CONSERVATION COMMISSION

Grace EXHIBIT NO. 11

NO. _____

BY _____

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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WE FEEL THAT MR. MICHAEL P. GRACE II AND CORINNE GRACE HAVE PROVED THEIR ABILITY IN THIS AREA AND THAT THEY ARE BEST QUALIFIED TO BE OPERATORS.

Michael P. Grace

EXAMINER UTZ
OIL CONSERVATION COMMISSION

Grace CREDIT NO. 12

Filed by _____

Log Date _____

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RE: COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL
EDDY COUNTY, NEW MEXICO

TO WHOM IT MAY CONCERN:

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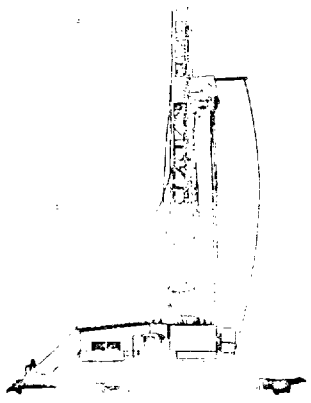
J. H. Dugan
Cleo A. Douglass

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Grace EXHIBIT NO. 13

Filed by _____

ing Date _____



MORAN OIL PRODUCING & DRILLING CORP.

September 8, 1972

Mr. Dan Hannifin
P. O. Box 182
Roswell, New Mexico 88201

Dear Sir:

Thank you for the visit to our office last week to discuss your proposed 11,800' Test located in Section 24, T22S, R27E, Eddy County, New Mexico.

Please find attached an estimated AFE cost as we discussed.

I hope we are able to make some kind of deal on this prospect.

Yours very truly,

MORAN OIL PRODUCING & DRILLING CORP.



K. D. McPeters

KDMC/d
Attach.

Hannifin

5

Dan Hannifin - 11,800' Test
Section 24, T22S, R26E
Eddy County, New Mexico

ESTIMATED AFE COST

Stake well	\$ 150
Damages, location and roadway	2,500
350' 13 3/8 48# H-40 @ 8.20	2,870
5300' 9 5/8	---
3400' 9 5/8 36# K-55 @ 5.64	19,176
1100' 9 5/8 40# K-55 @ 6.27	6,897
850' 9 5/8 40# N-80 @ 7.76	6,596
Cement 13 3/8	1,500
Cement 9 5/8	2,500
13 3/8 Float Equipment	150
9 5/8 Float Equipment	700
13 3/8 X 9 5/8 casinghead	2,000
Drilling mud	20,000
Logs	10,000
Rig time to log	2,000
3 - DST's at \$3000 each	9,000
Welding, etc.	1,000
Contingencies	9,000

96,039
3,841

11,800' drilling at \$8.90

99,880
105,020
4,200

ESTIMATED DRY HOLE COST

~~\$209,100~~ 216,800

11,800' - 5 1/2

900' 5 1/2 17# N-80 Buttress @ 3.66	3,295
8950' 5 1/2 17# N-80 @ 3.43	30,700
2140' 5 1/2 20# N-80 @ 4.04	8,690
11,800' 2 3/8 4.7# N-80 tubing @ \$1	11,800
Cement 5 1/2	2,500
Perforating	1,500
Acidizing and Treat	3,000
Tank battery and etc.	7,000
Labor and trucking	3,000
Miscellaneous and contingencies	7,000

COMPLETION COST

78,485
3,140

TOTAL COST COMPLETED WELL

\$290,725

301,152

Case No.

4836

Large Exhibits