



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

May 1, 1984

Mr. Ewell N. Walsh
Walsh Engineering
P.O. Drawer 419
Farmington, NM 87499

Re: M. J. Brannon Federal 20 #1R
Application for Hardship Classification

Dear Red:

The referenced application is being returned for the following reasons:

- 1) There are many wells of this depth with small bore tubing. You reference water production but none is shown in your tabulated production. There is no consideration given to lowering the present tubing string into the perforations.
- 2) Cost figures need to show that relief is necessary to prevent premature abandonment.

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank T. Chavez".

Frank T. Chavez
District Supervisor

FTC/dj

xc: Joe Ramey ✓



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

May 11, 1984

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

M. J. Brannon
c/o Walsh Engineering and
Production Corp.
P. O. Drawer 419
Farmington, New Mexico 87499

Case 8216

Re: Hardship Gas Well
Classification
Federal 20 Well No. 1-R,
Unit J, Section 20, T25N,
R9W, San Juan County

Gentlemen:

The above-captioned hardship gas well classification has been set for hearing on June 6, 1984. The case will be heard by Examiner R. L. Stamets in the Oil Conservation Division Conference Room at 8 o'clock a.m.

Yours very truly,

JOE D. RAMEY
Director

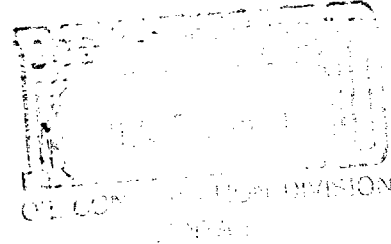
JDR/fd

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 7, 1984



Mr. Frank Chavez
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R

Dear Mr. Chavez:

Enclosed you will find Exhibits No. 2 through No. 5 presented during the above-referred-to hearing. Exhibit No. 1 was a copy of the original application submitted April 25, 1984. Also enclosed you will find the copy of the original application that you returned to this office.

The examiner, Dick Stamets, was advised during the first portion of the hearing that the application was to be amended as to the Minimum Rate Requested. The Minimum Rate was amended from 100 MCF per day to 130 MCF per day. The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The examiner approved hearing the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.

For your information, the following is an explanation of Exhibits No. 2 through No. 5.

Exhibit No. 2 - Production Data

Exhibit presented to also indicate water production. The water production was inadvertently not indicated on the production data submitted with the original application.

Also included with the production data is a tabulation of the Average Gas Gathering Line Pressures during the period or reported production.



Exhibit No. 3 - Wellbore Sketch

Exhibit presented to correct the depth of 2-3/8" tubing to 6390', 15' above top perforation. The wellbore sketch with the original application indicated a depth of 6327'.

Exhibit No. 4 - Production Decline Curve and Gathering Line Pressure Curve

Exhibit presented to indicate affect of apparent damage to formation, and productivity, after shut in during 1983. When an attempt to produce well in August 1983 indicated a problem with water production, a workover was performed. The productivity after the workover was not as good as the productivity before shut in during 1983.

The Gathering Line Pressure curve is to indicate the affect on productivity and when the pressure increases the well will log off and has to be swabbed to continue production.

Exhibit No. 5 - Cash Flow Analysis

Exhibit presented to indicate estimated volume of gas to be recovered or produced with the well approved or classified as a Hardship Gas Well. The initial production was estimated to be 100 MCF per day, or 3,000 MCF per month, and declined at the rate of 5.0% per year.

It is estimated that 608,911 MCF could be recovered with approval as Hardship Gas Well. Without approval as Hardship Gas Well, it is estimated that possibly 400,000 MCF to 608,911 MCF will not be recovered.

Also you will find enclosed a copy of testimony concerning the consideration given to squeeze cementing, installation of smaller diameter tubing, installation of pumping unit, rods and subsurface pump and plunger installation.

After conclusion of hearing Mr. Dick Stamets advised that I contact you concerning the approval of a 90 day emergency period to prevent the well from being shut in during the time period the case is under consideration.

Therefore, it is requested that the 90 day emergency period be immediately approved.

If you have any questions please do not hesitate to call upon me.

Very truly yours,

A handwritten signature in cursive script, reading "Ewell N. Walsh".

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon w/o Encl.

Mr. Dick Stamets, OCD, Santa Fe, N.M. w/o Encl.

Mr. Bill Carr, Attorney, Santa Fe, N.M. w/o Encl.

Enclosures

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892LOG OFF TESTM. J. BRANNON
FEDERAL 20, NO. 1-R
SECTION 20-T24N-R9W
San Juan County, New Mexico4" Meter Run, 0.500" plate, flange taps
100" extension, 400# spring
Inverted Chart

November 7, 1984

Well was set to intermitt four times per day for 30" per cycle. Incoming choke was fully open. A new dump counter had been installed and each dump had been measured to be 8 quarts.

Under these conditions the well was observed for three hours and left to be observed the following day.

<u>DATE</u>	<u>TIME</u>	<u>CHOKE</u>	<u>TBG.</u> <u>PSI</u>	<u>CSG.</u> <u>PSI</u>	<u>DIFF</u>	<u>STATIC</u>	<u>TEMP.</u>	<u>VOL.</u> <u>MCFPD</u>	<u>WATER</u>
11/7/84	10:40	Open	250	555	6.5	7.6	70	146	--
	11:30	Open	250	575	6.0	8.3	75	147	0
	12:30	Open	250	605	6.0	8.3	75	147	0

November 8, 1984

Well to be choked back with incoming choke to attempt a log off. NMOCC witnessed procedure.

11/8/84	10:15	Open	250	530	6.0	8.3	60	147	7 bbls. 24'
	11:15	12/64	260	540	6.0	8.3	60	147	0
	11:45	12/64	255	565	5.2	8.2	65	126	0
	1:35	12/64	250	610	4.2	8.3	70	102	0
	1:47	12/64	255	615	4.2	8.3	-	102	0



-2-

<u>DATE</u>	<u>TIME</u>	<u>CHOKE</u>	<u>TBG.</u> <u>PSI.</u>	<u>CSG.</u> <u>PSI</u>	<u>DIFF.</u>	<u>STATIC</u>	<u>TEMP.</u>	<u>VOL.</u> <u>MCFPD</u>	<u>WATER</u>
11/9/84	9:00	12/64	245	670	5.2	(7.8-9.2)	50	120	0
	1:00PM	12/64	255	655	4.7	7.8		108	Counter zeroed?
	1:15	8/64	300	660	3.2	7.8		74	0
	2:15	8/64	510	650	0	7.8	Choked off		
	2:30	10/64	well not logged off.						
11/10/84	9:00	10/64	740	790	0	7.7	New chart - no record choke iced off.		

9:15 Opened choke gradually to put back on production. After one hour well unloaded 12 dumps or about 25 gallons of water and oil to tank. Final pressure 300 psi tubing and 665 psi casing.

	<u>CHART HOURS</u>	<u>DIFF.</u>	<u>STATIC</u>	<u>MCFPD</u>
	10 Open 20/64	Off Chart	7.7	225
	12	Off Chart	7.7	225
	14	Off Chart	7.7	225
	16	Ave. 9	7.7	203
	18	Ave. 6.8	7.7	151
	20	Off Chart	7.6	225
11/10 & 11/11/84	21-36	Ave. 6.8	7.6	151
	36-40	Declining	7.6	
11/11 & 11/12/84	40-44	Slowly to 5.8	7.5	129
	44-56	Exponential drop to 0	7.5	
11/12 & 11/13/84	56-72	0	7.5	-0-



-3-

<u>DATE</u>	<u>TIME</u>	<u>CHOKE</u>	<u>TBG.</u> <u>PSI</u>	<u>CSG.</u> <u>PSI</u>	<u>DIFF.</u>	<u>STATIC</u>	<u>TEMP</u>	<u>VOL.</u> <u>MCFPD</u>	<u>WATER</u>
11/13/84	9:45	Open full	220	240	0	7.7	0	0	10 bbls.

10:00 Opened well to pit. Tubing went from 220 to zero, casing to 220. Well will not unload. Probably require swabbing unit. Total water since 11/10/84 is 10 barrels and about 8 barrels oil and 4 barrels water drained.

Conclusion:

The well will not unload liquids at reduced producing rates. It is necessary to produce continually and intermitt.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONY ANAYA
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

June 8, 1984

Mr. Joe D. Ramey
Oil Conservation Div.
P.O. Box 2088
Santa Fe, NM 87501

Case 8216
Case file

Re: M. J. Brannon Federal 20 #1R J-20-25N-9W

Dear Mr. Ramey:

Emergency approval of a hardship gas well classification is hereby granted to the referenced well. This approval will expire September 5, 1984.

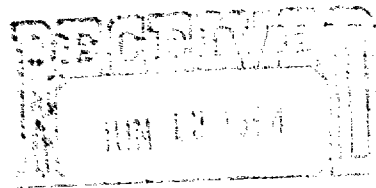
Sincerely,

Frank T. Chavez
District Supervisor

FTC/dj

xc: M. J. Brannon
EPNG
Well File





WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

Mr. Joe Ramey, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Ramey:

Attached you will find a copy of the letter sent to each offset operator to the above-referred-to well.

The letters were sent as per the advisement of Mr. Richard L. Stamets, Examiner, for the above-referred-to case.

Thank you for your cooperation in this matter.

Very truly yours,

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

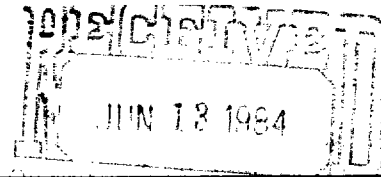
Mr. Frank Chavez, District Director ODC, Aztec, N.M.

Mr. Bill Carr, Campbell, Byrd & Black, Santa Fe, N.M.

Enclosure



ENGINEERING & PRODUCTION CORP.



Petroleum Engineering Consulting
Lease Management
Contract Pumping

3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

CERTIFIED MAIL
No. P 498 213 237

Mr. Floyd E. Ellison
Vice President - Operations
Rocky Mountain Division
Consolidated Oil & Gas, Inc.
1860 Lincoln Street, Suite 1300
Denver, Colorado 80295

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Ellison:

This is to advise you that during the hearing for the above-referred-to case the Application for Classification as a Hardship Gas Well was amended in so far as Minimum Rate Requested. The Minimum Rate Requested was amended from 100 MCF per day to 130 MCF per day.

The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The Minimum Rate of 130 MCF per day will allow the well to produce without curtailment. It was determined that the well would probably produce in excess of the 100 MCF per day and possibly have the production curtailed.

The examiner, Mr. Richard L. Stamets, approved the amendment to the application and to also hear the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.

Your notification to Mr. Joe Ramey, Director, Oil Conservation Commission, Santa Fe, New Mexico, of your approval of the amendment to the application would be appreciated.



For your information you will find, enclosed, Exhibits No. 2 through No. 5 which were presented at the hearing. (Exhibit No. 1 was a copy of the original application dated April 25, 1984 - not enclosed.)

The following is an explanation of Exhibits No. 2 through No. 5.

Exhibit No. 2 - Production Data

Exhibit presented to also indicate water production. The water production was inadvertently not indicated on the production data submitted with the original application.

Also included with the production data is a tabulation of the Average Gas Gathering Line Pressures during the period of reported production.

Exhibit No. 3 - Wellbore Sketch

Exhibit presented to correct the depth of 2-3/8" tubing to 6390'. 15' above top perforation. The wellbore sketch with the original application indicated a depth of 6327'.

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Exhibit presented to indicate affect of apparent damage to formation, and productivity, after shut in during 1983. When an attempt to produce well in August 1983 indicated a problem with water production, a workover was performed. The productivity after the workover was not as good as the productivity before shut in during 1983.

The Gathering Line Pressure curve is to indicate the affect on productivity and when the pressure increases the well will log off and has to be swabbed to continue production.

Exhibit No. 5 - Gas Flow Analysis

Exhibit presented to indicate estimated volume of gas to be recovered or produced with the well approved or classified as a Hardship Gas Well. The initial production was estimated to be 100 MCF per day, or 3,000 MCF per month, and declined at the rate of 5.0% per year.

It is estimated that 608,911 MCF could be recovered with approval as Hardship Gas Well. Without approval as Hardship Gas Well, it is estimated that possibly 400,000 MCF to 608,911 MCF will not be recovered.



-3-

Thank you for your consideration and cooperation in this matter.
If you have any questions, please do not hesitate to call upon me.

Very truly yours,

ORIGINAL SIGNED BY
EWELL N. WALSH

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

Mr. Joe Ramey, Director

Oil Conservation Commission, Santa Fe, N.M.

Mr. Frank Chavez, District Director

Oil Conservation Commission, Aztec, N.M.

Mr. Bill Carr, Attorney

Campbell, Byrd & Black, Santa Fe, N.M.

Enclosures



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

CERTIFIED MAIL
No. P 498 213 233

Mr. Lee McLean
District Production Manager
Energy Reserves Group
P. O. Box 3280
Casper, Wyoming 82602

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. McLean:

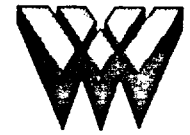
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The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The Minimum Rate of 130 MCF per day will allow the well to produce without curtailment. It was determined that the well would probably produce in excess of the 100 MCF per day and possibly have the production curtailed.

The examiner, Mr. Richard L. Stamets, approved the amendment to the application and to also hear the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.

Your notification to Mr. Joe Ramey, Director, Oil Conservation Commission, Santa Fe, New Mexico, of your approval of the amendment to the application would be appreciated.



-2-

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-3-

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If you have any questions, please do not hesitate to call upon me.

Very truly yours,

ORIGINAL SIGNED
EWELL N. WALSH

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

Mr. Joe Ramey, Director

Oil Conservation Commission, Santa Fe, N.M.

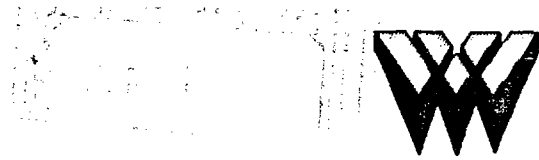
Mr. Frank Chavez, District Director

Oil Conservation Commission, Santa Fe, N.M.

Mr. Bill Carr, Attorney

Campbell, Byrd & Black, Santa Fe, N.M.

Enclosures



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

Certified Mail
No. P 498 213 238

Mr. Don Read
Regional Production Manager
El Paso Exploration Company
P. O. Box 4289
Farmington, New Mexico 87499

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Read:

This is to advise you that during the hearing for the above-referred-to case the Application for Classification as a Hardship Gas Well was amended in so far as Minimum Rate Requested. The Minimum Rate Requested was amended from 100 MCF per day to 130 MCF per day.

The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The Minimum Rate of 130 MCF per day will allow the well to produce without curtailment. It was determined that the well would probably produce in excess of 100 MCF per day and possibly have the production curtailed.

The examiner, Mr. Richard L. Stamets, approved the amendment to the application and to also hear the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.

Your notification to Mr. Joe Ramey, Director, Oil Conservation Commission, Santa Fe, New Mexico, of your approval of the amendment to the application would be appreciated.



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-3-

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ORIGINAL SIGNED BY
EWELL N. WALSH

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

Mr. Joe Ramey, Director

Oil Conservation Commission, Santa Fe, N.M.

Mr. Frank Chavez, District Director

Oil Conservation Commission, Aztec, N.M.

Mr. Bill Carr, Attorney

Campbell, Byrd & Black, Santa Fe, N.M.

Enclosures



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping



3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

Certified Mail
No. P 498 213 240

Mr. Robert L. Bayless
P. O. Box 1541
Farmington, New Mexico 87499

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Bayless:

This is to advise you that during the hearing for the above-referred-to case the Application for Classification as a Hardship Gas well was amended in so far as Minimum Rate Requested. The Minimum Rate Requested was amended from 100 MCF per day to 130 MCF per day.

The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The Minimum Rate of 130 MCF per day will allow the well to produce without curtailment. It was determined that the well would probably produce in excess of 100 MCF per day and possibly have the production curtailed.

The examiner, Mr. Richard L. Stamets, approved the amendment to the application and to also hear the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.

Your notification to Mr. Joe Ramey, Director, Oil Conservation Commission, Santa Fe, New Mexico, of your approval of the amendment to the application would be appreciated.



-2-

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-3-

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If you have any questions, please do not hesitate to call upon me.

Very truly yours,

ORIGINAL SIGNED BY
EWELL N. WALSH

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

Mr. Joe Ramey, Director

Oil Conservation Commission, Santa Fe, N.M.

Mr. Frank Chavez, District Director

Oil Conservation Commission, Aztec, N.M.

Mr. Bill Carr, Attorney

Campbell, Byrd & Black, Santa Fe, N.M.

Enclosures



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

June 8, 1984

Certified Mail
No. P 498 213 241

Mr. Chris Holten
DAMSON OIL COMPANY
201 N. Wolcott, Suite 107
Casper, Wyoming 82601

REF: M. J. Brannon
Case No. 8216
June 6, 1984
Hardship Gas Well
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Holten:

This is to advise you that during the hearing for the above-referred-to case the Application for Classification as a Hardship Gas well was amended in so far as Minimum Rate Requested. The Minimum Rate Requested was amended from 100 MCF per day to 130 MCF per day.

The amendment was requested due to additional production history indicating that the well would probably be capable of producing 100 to 130 MCF per day.

The Minimum Rate of 130 MCF per day will allow the well to produce without curtailment. It was determined that the well would probably produce in excess of 100 MCF per day and possibly have the production curtailed.

The examiner, Mr. Richard L. Stamets, approved the amendment to the application and to also hear the case with the understanding that the case would be continued until July 11, 1984 and the offset operators would be notified of the amended minimum rate.



-2-

Your notification to Mr. Joe Ramey, Director, Oil Conservation Commission, Santa Fe, New Mexico, of your approval of the amendment to the application would be appreciated.

For your information you will find, enclosed, Exhibits No. 2 through No. 5 which were presented at the hearing. (Exhibit No. 1 was a copy of the original application dated April 25, 1984 - not enclosed.)

The following is an explanation of Exhibits No. 2 through No. 5.

Exhibit No. 2 - Production Data

Exhibit presented to also indicate water production. The water production was inadvertently not indicated on the production data submitted with the original application.

Also included with the production data is a tabulation of the Average Gas Gathering Line Pressures during the period of reported production.

Exhibit No. 3 - Wellbore Sketch

Exhibit presented to correct the depth of 2-3/8" tubing to 6390', 15' above top perforation. The wellbore sketch with the original application indicated a depth of 6327'.

Exhibit No. 4 - Production Decline Curve and Gathering Line Pressure Curve

Exhibit presented to indicate affect of apparent damage to formation, and productivity, after shut in during 1983. When an attempt to produce well in August 1983 indicated a problem with water production, a workover was performed. The productivity after the workover was not as good as the productivity before shut in during 1983.

The Gathering Line Pressure curve is to indicate the affect on productivity and when the pressure increases the well will log off and has to be swabbed to continue production.

Exhibit No. 5 - Gas Flow Analysis

Exhibit presented to indicate estimated volume of gas to be recovered or produced with the well approved or classified as a Hardship Gas Well. The initial production was estimated to be 100 MCF per day, or 3,000 MCF per month, and declined at the rate of 5.0% per year.

It is estimated that 608,911 MCF could be recovered with approval as Hardship Gas Well. Without approval as Hardship Gas Well, it is estimated that possibly 400,000 MCF to 608,911 MCF will not be recovered.



-3-

Thank you for your consideration and cooperation in this matter.
If you have any questions, please do not hesitate to call upon me.

Very truly yours,

ORIGINAL SIGNED BY
EWELL N. WALSH

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon

Mr. Joe Ramey, Director

Oil Conservation Commission, Santa Fe, New Mexico

Mr. Frank Chavez, District Director

Oil Conservation Commission, Aztec, New Mexico

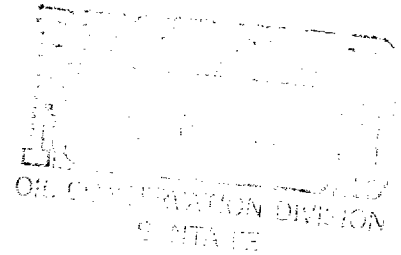
Mr. Bill Carr, Attorney

Campbell, Byrd & Black, Santa Fe, New Mexico

Enclosures

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 1541
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



June 13, 1984

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

Attn: Mr. Joe Ramey

RE: M. J. Brannon, Case #8216

Gentlemen:

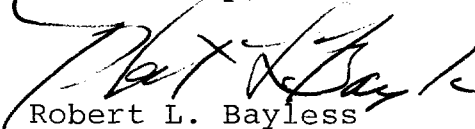
I have Mr. E.W. Walsh's letter of June 8 pertaining to a Hardship Gas Well hearing as above referred to.

I have no objection to this specific instance, however, I am concerned that there will be a flood of this type application and they will overwhelm the normal gas marketing procedures in the San Juan Basin.

I suspect a great number of wells in the Basin are harmed by well fluids accumulating during shut-in periods and simply allowing some wells to stay on line continuously is not a solution for the total industry. Obviously if all wells that suffer from market demand shut-in come before the commissioner for designation as "Hardship" the market pie will be significantly reduced for the remainder of wells which will then start another cycle of "Hardship" hearings.

Perhaps a better solution would be shorter shut-in periods, even while recognizing this may cause more work for field personnel. In any event a meeting of producers as to various ways to address this building problem might be helpful.

Yours truly,

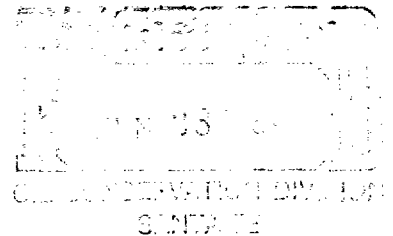

Robert L. Bayless

RLB/lb

Energy Reserves Group, Inc.
P.O. Box 3280
Casper, Wyoming 82602-3280
307 265 7331



June 22, 1984



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


Attention: Mr. Joe Ramey

RE: Case No. 8216
Hardship Gas Well
Brannon Federal 20 No. 1-R
Unit J, Section 20 T25N-R9W
San Juan County, New Mexico

Dear Mr. Ramey:

Energy Reserves Group, Inc. as an offset operator approves of the hardship gas well classification and also the amendment to change the minimum rate from 100 MCFD to 130 MCFD for the subject well.

Respectfully yours,
ENERGY RESERVES GROUP, INC.


Roscoe Gillespie
District Production Manager
Rocky Mountain District

cc: Well File

Walsh Engineering & Production Corp.
P. O. Drawer 419
Farmington, New Mexico 87401



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

December 12, 1984

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. William F. Carr
Campbell & Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 8216
ORDER NO. R-7742

Applicant:

M. J. Brannon

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

January 2, 1986

Ewell N. Walsh, PE, President
Walsh Engineering and
Production Corp.
P.O. Drawer 419
Farmington, NM 87401

Dear Mr. Walsh:

The following is in reply to your letter of December 16, 1985,
requesting an extension of the hardship well classification granted the
M. J. Brannon Federal 20 Well No. 1-R, Unit J, Section 20, Township 25
North, Range 9 West, San Juan County, New Mexico.

The data submitted with your letter indicated that a new packer had been
installed in the well and that water production had been reduced to
about 10 percent or less of the volume being produced at the time of the
hearing for the original hardship application. Further, the production
data does not seem to show that the well lost any producibility as a
result of being shut-in while the packer was installed.

Without some additional evidence that extensive swabbing would be
required if the well should now be shut-in or that shut-in with current
water volumes will result in reservoir damage, I am reluctant to grant
an extension of the hardship well classification.

A temporary extension of hardship gas well classification for the
subject well is hereby granted until March 1, 1986. Any further
extension will only follow submittal of information responding to the
questions raised in the paragraph immediately above.

Sincerely,

R. L. STAMETS
Director

RLS/dp

cc: Frank Chavez
El Paso Natural Gas Co.
Case No. 8216



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

March 5, 1986

Ewell N. Walsh, P.E.
Walsh Engineering & Production
Corporation
3001 Northridge Drive
P. O. Drawer 419
Farmington, New Mexico 87401

Re: Hardship Gas Well Classification
M. J. Brannon
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Walsh:

Based upon the information submitted with your letter of December 16, 1985, and subsequent reports of the workover of the subject well to eliminate water production from a casing leak, your request for extension of the hardship gas well classification granted by Order No. R-7742 is denied effective March 1, 1986.

Sincerely,

R. L. STAMETS
Director

RLS:dp

cc: El Paso Natural Gas Co.
Case 8216 ✓

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping3001 Northridge Drive
P.O. Drawer 419
Farmington, New Mexico 87401
(505) 327-4892

December 16, 1985

Mr. Richard L. Stamets
Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87505-2088

REF: Hardship Gas Well Classification
M. J. Brannon
Federal 20, No. 1-R
Unit J, Section 20-T25N-R9W
San Juan County, New Mexico

Dear Mr. Stamets:

This is a request, on behalf of M. J. Brannon, for extension of the Hardship Gas Well Classification for the above-referred-to well.

Order R-7742 approved a producing rate of 130 MCF per day. The attached Production Data and Decline Curve indicates a producing rate in excess of 130 MCF per day during the months of May through September, 1985. The increase was due to the following:

1. A production packer was installed in well in March 1985.
2. Installation of the production packer improved the lift efficiency of the gas stream flow.
3. The improved lift efficiency allowed the water, causing previous damage to formation, to be removed.
4. As water decreased the volume of gas increased and then started decreasing.

The producing rate, during November 1985, was 104 MCF per day. This indicates that the formation still has damage due to produced water. This volume of gas is below the approved volume of 130 MCF per day.



-2-

Formation damage when compared with decline curve analysis present in Case No. 8216, is still evident and a shutin of the well would probably cause additional formation damage.

The extension is requested to allow additional production history, without the well being shut in, to be obtained to allow a determination, as to probable formation damage, due to produced water, under the present producing conditions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ewell N. Walsh".

Ewell N. Walsh, P.E.
President

ENW:rr

cc: M. J. Brannon w/att.

Frank Chavez, NMOCD, Aztec, N.M. w/att.

OPERATOR

COUNTY

PRODUCTION DATA

WELL NO.

SEC 20 TWP 20N RGE 10

LEASE

[illegible]

YEAR 1981

MONTH	STA-TUS	DAYS PROD.	ALLOW-ABLE	TOTAL WATER & BS & W BARRELS		DLY. AVG.	NET OIL PRODUCTION BARRELS		DLY. AVG.	FORMATION GAS PRODUCTION M.C.F.		DLY. AVG.	GAS - OIL RATIO CU. FT./BBL.
				MONTHLY	CUMULATIVE		MONTHLY	CUMULATIVE		MONTHLY	CUMULATIVE		
FORWARD					1454			3056			143464		
JAN.		31		103	1562	3	36	3056	1	2462	146424	19	100.00
FEB.		24		119	1681	4	29		1	3124		108	107.74
MAR.		31		129	1810	4	99	2170	3	3154	153312	121	37.910
APR.		30		111	1921	4	37	2207	1	3410	156731	127	92.405
MAY		31		116		4	34		4	2125		76	12.95
JUNE		30		124		4	34		1	3624		121	93.051
JULY		31		128	2289	4	76	2556	2	4280	166715	138	56.315
AUG.		31		128	2417		48	2404	1	4236	171011	137	88.25
SEPT.		23		45	2512		45	2449	2	2631	173642	114	58.416
OCT.		31		145	2657	5	52	2501	2	3642	177284	117	70.078
NOV.		30		89	2746	3	11	2512		2760	180144	95	260
DEC.		31		108	2854	3	62	2574	2	1671	181815	54	26.952
TOTAL							568			131846			

YEAR 1985

[illegible]

YEAR _____

[illegible]

