



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

May 4, 1984

TONY ANAYA
GOVERNOR

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

HAND DELIVERED

David Cohen, Chairman
Public Service Commission
Bataan Memorial Building
Santa Fe, New Mexico 87501

Re: Infill Well Exemption Requests

Dear Chairman Cohen:

Enclosed please find additional applications for exemption from the New Mexico Natural Gas Pricing Act which have been filed by various producers. Included in this package of material are six applications from Sun Oil Company, three additional applications from Caulkins Oil Co., and nine additional applications from Southland Royalty Company.

It is our intention to consider the prospective exemption requests for these wells at the hearing which will be held by the Oil Conservation Commission on July 17, 1984. I would note for your information that our records reflect that the firm of Kellahin and Kellahin represents Caulkins Oil Company and Sun Exploration and Production Company and that the law firm of Campbell, Byrd and Black, P. A. represents Southland Royalty Company. I would suggest that counsel for the Public Service Commission contact these law firms so that discovery proceeds on these wells along with the other wells which are scheduled to be considered on July 17th.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

W. PERRY PEARCE,
General Counsel

WPP/dr

cc: John Bigelow,
Deputy Attorney General

Karen Aubrey, Esq.
Kellahin and Kellahin

William F. Carr, Esq.
Campbell, Byrd and Black, P.A.

PROSPECTIVE

<u>DATE</u>	<u>OPERATOR</u>	<u>WELL NAME</u>	<u>LOCATION</u>
4-5-84	Sun Oil Company	New Mexico Federal N No. 1E Basin Dakota	Sec. 17, T-30-N R-12-W, San Juan
4-5-84	Sun Oil Company	New Mex. Federal N Well No. 2E Basin Dakota	Sec. 17, T-30-N, R-12-W, San Juan
4-5-84	Sun Oil Company	New Mex. Fed. N Well No. 3E Basin Dakota	Sec. 18, T-30-N, R-12-W, San Juan
4-5-84	Sun Oil Company	New Mex. Fed. N Well No. 4E Basin Dakota	Sec. 7, T-30-N, R-12-W, San Juan
4-5-84	Sun Oil Company	New Mex. Fed. N Well No. 5F Basin Dakota	Sec. 7, T-30-N, R-12-W, San Juan
4-5-84	Sun Oil Company	New Mex. Fed. N Well No. 6E Basin Dakota	Sec. 6, T-30-N, R-12-W, San Juan

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey
James B. Grant

Telephone 982-4285
Area Code 505

April 5, 1984

APR 5 1984

Mr. Joe D. Ramey
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Sun Exploration and Production Company
for Exemption from Application of the New Mexico
Natural Gas Pricing Act -- Infill wells

Dear Mr. Ramey:

Enclosed please find Applications for Exemption from the
New Mexico Natural Gas Pricing Act for six infill wells
which we are filing on behalf of Sun Exploration and
Production Company:

- (1) New Mexico Federal N Well No. 1E
- (2) New Mexico Federal N Well No. 2E
- (3) New Mexico Federal N Well No. 3E
- (4) New Mexico Federal N Well No. 4E
- (5) New Mexico Federal N Well No. 5F
- (6) New Mexico Federal N Well No. 6E

Sun Exploration and Production Company requests that these
exemptions be effective as of the date of first production
from the well.

By filing these applications Sun Exploration and Production
Company does not admit that the granting of applications is
anything but a nondiscretionary ministerial act.

Sun Exploration and Production Company does not believe that
a hearing is required for the granting of these applications.
However, if the Commission desires to set a hearing in this
matter we would appreciate it if it could be set as quickly
as possible.

KELLAHIN AND KELLAHIN

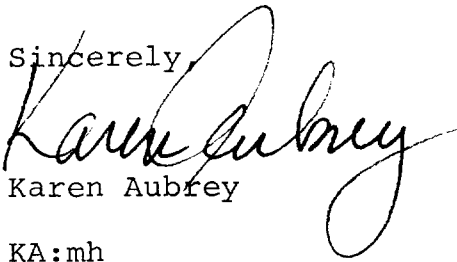
Mr. Joe D. Ramey
April 5, 1984
Page Two

Re: Application of Sun Exploration and Production Company
for Exemption from Application of the New Mexico
Natural Gas Pricing Act -- infill wells

By copy of this letter we are filing a duplicate set of
applications with the Aztec office.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen Aubrey". The signature is written in black ink and is positioned above the printed name "Karen Aubrey".

Karen Aubrey

KA:mh

Enclosures

cc: Jim Powers, Esq., Sun Exploration and Production Company
Mr. Frank Chavez, Aztec office



**Sun Exploration and
Production Company**
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

SPECIAL RULES AND REGULATIONS
NATURAL GAS PRICING ACT SECTION 6
ADMINISTRATIVE EXEMPTION PROCEDURE

RULE 1(b) SUN EXPLORATION & PRODUCTION COMPANY'S, FORMERLY SUN
OIL COMPANY, NEW MEXICO FEDERAL -N- WELL NO. 1E IS AN
INFILL WELL IN THE BASIN-DAKOTA GAS POOL AS PER CASE
NO. 6533, ORDER NO. R-1670-V.

RULE 5 PLAT SHOWING PRORATION UNITS IN SECTION 17 T30N R12W ,
LOCATION OF THE WELLS THEREON, AND THE OWNERSHIP AND
LOCATION OF ALL WELLS ON DIRECT OR DIAGONALLY OFFSET-
TING PRORATION UNITS.

RULE 7(a) COPY OF ORDER NO. R-1670-V FOR BASIN-DAKOTA GAS POOL.

RULE 8 DOCUMENTATION AS TO DATES OF DRILLING AND/OR FIRST
SALE OF GAS FOR SUN'S NEW MEXICO FEDERAL -N- WELL
NO. 1E

SUN EXPLORATION AND PRODUCTION COMPANY RESPECTFULLY REQUESTS THE
APPLIED FOR EXEMPTION BE RETROACTIVE TO May 13, 1981.

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND
CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SIGNED: Charles A. Gray
CHARLES A. GRAY

DATE: March 2, 1984

TITLE: CONSERVATION REPRESENTATIVE

C E R T I F I C A T I O N
NEW MEXICO INTRASTATE
NATURAL GAS PRICING ACT SECTION 6
RULE 7(c)

I HEREBY CERTIFY THAT SUN EXPLORATION & PRODUCTION COMPANY'S,
FORMERLY SUN OIL COMPANY, NEW MEXICO FEDERAL-N- WELL NO. 1E, THE
ORIGINAL/EXISTING WELL ON THE REFERENCED PRORATION UNIT, HAS NOT HAD
FROM DATE OF FIRST DELIVERY OF GAS, AND SHALL NOT HAVE ITS ABILITY TO
PRODUCE INTO THE PIPELINE RESTRICTED BY THE OPERATOR BY ANY AFFIRM-
ATIVE MECHANICAL ACT, SUCH AS UNREASONABLY CLOSING-IN, CHOKING DOWN
OR INTENTIONALLY DAMAGING THE WELLBORE FOR THE PURPOSE OF RESTRICTING
THE ABILITY OF THE WELL TO PRODUCE INTO THE PIPELINE.

SUN EXPLORATION AND PRODUCTION CO.
(OPERATOR)

SUBSCRIBED AND SWORN TO THIS 2nd DAY OF MARCH, 1984,
BY: T. E. Maxwell (T. E. MAXWELL)
NORTHERN REGION MANAGER PRODUCTION OPERATIONS



NOTARY PUBLIC

MY COMMISSION EXPIRES

October 1, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See all instructions on
reverse side)Form approved
Budget Bureau No. 42-R355.5.

5. LEASE DESIGNATION AND SERIAL NO.

NM 047

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

New Mexico Federal -N-

9. WELL NO.

1 E

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

SE SE Sec. 17-T30N-R12W

12. COUNTY OR
PARISH

San Juan

13. STATE

New Mexico

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____

2. NAME OF OPERATOR

Sun Oil Company

3. ADDRESS OF OPERATOR

2525 N.W. Expressway, Oklahoma City, Ok. 73112

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

At surface 1120' FSL & 1120' FEL

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

5-8-80

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD

7-14-80

7-30-80

10-28-80

5812' GR

20. TOTAL DEPTH, MD & TVD 21. PLUG BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. ROTARY TOOLS 25. CABLE TOOLS

6840'

6790'

→

X

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

6621' - 6645', 6565-6582'

25. WAS DIRECTIONAL
SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

CBL - VDL - GR - COL Logs.

27. WAS WELL COBED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT FULLED
8-5/8"	24#	375'	12-1/4"	250 sx Class A	
4-1/2"	9.5#	6900'	7-7/8"	1700 sx light, tailed in w/100 sx Class -A- 700 sx 50-50 poz	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	6516'	6513'

31. PERFORATION RECORD (Interval, size and number)

6,621 - 6,645'

6,565 - 6582'

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6621 - 6582'	Acidz. w/2,500 gals. 15% HCL
	Frac w/2,976 Bbls YF4PSD
	20-40 sand.

33.* PRODUCTION

DATE FIRST PRODUCTION 10-31-80 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Awaiting pipeline(SI)

DATE OF TEST	HOURS TESTED	CROCK SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
10-31-80	24	64	→	0	244	7	--
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
125#	0	→	0	244	7	--	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented

TEST WITNESSED BY

Jay Dungan

35. LIST OF ATTACHMENTS

CBL-CNL-DIL logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Jannie Owens

TITLE Distr. Proration Supvr.

DATE 11-13-80

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

INSTRUCTIONS

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

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

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

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

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

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

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

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Fruitland	1636'	1984'		Tertiary	Surface	740
Picture Cuff	1984'	2184'		Cretaceous	740	
Cliff House	3566'	3761'		Mesaverde Grp.	3316'	4930'
Point Lookout	4354'	4674'		Mancos Form.	5878'	6754'
Dakota	6492'	6519'		Dakota Form.	6754'	6934'
Morrison	6800'	6819'		Jurassic	6934	7000'

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

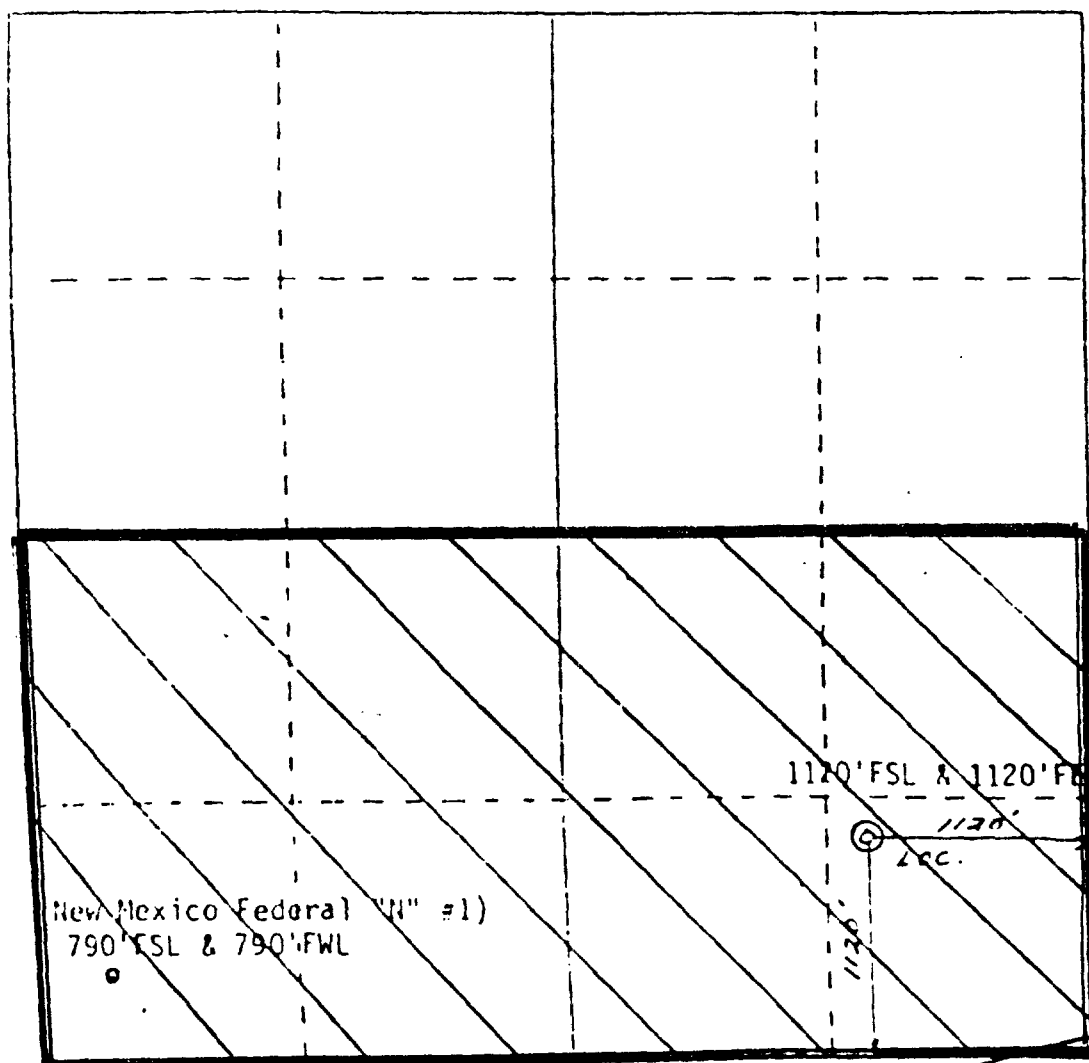
Oil Company		USA 047 NM		Plat	
Federal NMIE					
P	17	30 North	12 West	San Juan	
1120' feet from the South		1120' feet from the East			
5612'	Basin Dakota	Basin Dakota	320	Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-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: George Lapaseotes
V. Pres. Powers Elevation
Position:
Agent Consultant for
Company:
Sun Oil Company

Date:
2/25/80

I hereby certify that the location shown on the plat is correct and that the notes and survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



18 Feb. '80

Date Surveyed:
Gerald G. Huddles
Registered Land Surveyor and
Member of the Surveyors

6844

Official Seal

PRODUCING STATUS REPORT

TYPE OF REPORT	☐ SHUT-IN ☒ SUN 100% ☐ SUN JOINT OPERATOR			☐ O.B.O.C. ☐ ORI ☐ RI			☒ FIRST RUN OR FIRST SALE Sun Oil Company						
LEASE DATA	PROPERTY NAME IN FULL			ACCTG PROP NO		WELL STATUS		PRODUCING		SHUT-IN		TEMPORARILY ABANDONED	
	New Mexico Federal -N-			865642		OIL WELLS		0		0		0	
	FIELD NAME Basin Dakota			TITLE RECORDS NO Lse 914210		GAS WELLS		10		1		0	
	DISTRICT OKC-23			COUNTY San Juan		STATE New Mexico							
SHUT-IN REPORT	WELL NO.			TYPE OF SHUT-IN			REASON FOR SHUT-IN						
				☐ OIL LEASE ☐ GAS LEASE ☐ GAS WELL			☐ Depleted ☐ Workover Necessary ☐ Pipe Line Interruption ☐ Regulatory Body ☐ Lack of Available Connection						
	DATE LAST PRODUCTION			DATE SHUT-IN			PRODUCTION INFORMATION (IF AVAILABLE)						
							BBLS. OIL-24 HR. RATE		MCF GAS-24 HR. RATE		BBLS. WATER-24 HR. RATE		
							2182						
	IF SUN'S GAS IS NOT BEING SOLD DUE TO LACK OF AVAILABLE CONNECTION OR TO PIPE LINE INTERRUPTION, IS ANY OWNER'S BEING SOLD?			WELL LOCATION (OR ATTACH WELL PLAT)									
	☐ YES ☐ NO			Sec. 17-30N-12W									
RETURN TO PROD. OR ABAND.	WELL NO.			DATE OF CHANGE			WELL STATUS						
							☐ RECOMPLETED NEW ZONE ☐ RECOMPLETED NEW PRODUCT ☐ RECOMPLETED NEW OWNERSHIP ☐ PRODUCING ☐ PLUGGED AND ABANDONED						
	PRODUCING ZONE			PRODUCING AS			☐ OIL - SINGLE ☐ OIL - DUAL ☐ GAS - SINGLE ☐ GAS - DUAL ☐ OIL AND GAS - DUAL						
FIRST RUN OR FIRST SALE	WELL NO.			DATE OF SALE			FIRST SALE BY						
	1E			X FIRST SALE			☐ CHANGE OF PURCHASER ☒ NEW WELL ☐ RECOMPLETED WELL ☐ SHUT-IN WELL						
	5-13-81			X CRUDE OIL			☐ CONDENSATE ☒ GAS WELL GAS ☐ OIL WELL GAS						
	DATE OF SALE			DATE OF PRODUCTION			PURCHASER OR PIPE LINE COMPLETED						
							Southern Union						
MISC.	OTHER INFORMATION AND RECOMMENDATIONS.												
REGION TITLE RECORD	LEASE EXPIRATION DATE												
	Lse. 914210 IS A FEDERAL (BLM) LEASE SUBJECT TO THE RULES AND REGULATIONS APPLICABLE THERETO; REQUIRES PRODUCTION IN PAYING QUANTITIES; (\$1.00 acre minimum ROYALTY).												
	OTHER INFORMATION (SHUT-IN PROVISIONS, RENTAL PAYMENTS, ETC.)												
	LEASE 914210 IS HBP from several New Mexico Federal-N-Wells (PN865642). THE captioned well is 100% Sun. Please note that the first sale of New Mexico Federal -N- Well #1E (PN865642) on 5-13-81 to Southern Union.												
	☐ FILE SHOULD BE REFERRED TO LEGAL DEPT. FOR OPINION ON VALIDITY OF LEASE BEFORE ADDITIONAL OPERATIONS ARE CONDUCTED												

J. P. Hendrix - Mgr.
 H. L. Carroll - Admin. Serv.
 D. G. Bower - Gas Coord.
 Joe Collins - Engineering
 L. A. Brandon - Geology
 H. Snyder - Drafting
 Jeannie Owens - Prod. & Cons.
 Gerald Bright - Mgr., Land

FORREST MOORE - Geology
 B. D. Brockman - Land
 Ed Williams - Drafting
 H. B. Taylor - U&JO
 I. V. Hobbs - U&JO
 J. A. Lindblom - Exp. Acctg.
 J. W. Strickland - Gas Sales
 D. J. Rhodes - Acc. Process.
 L. D. Allison - Acc. Control

W. L. B. Bodenhamer - Div. Chief
 R. Bodenhamer - Tax Dept.
 Walter Martin - Roy. Disb.
 GLEN CENTRAL - DALLAS
 Don Leehan - Mgr., C&LA
 Drafting - C&LA
 Admin. Clerk - C&LA

SIGNED: *J. P. Hendrix* DATE: 5-15-81
 SIGNED: *Don Leehan* DATE: 5/21/81