



Gary-Williams Oil Producer

115 Inverness Drive East • Englewood, Colorado 80112-5116 • (303) 799-3800

March 19, 1986

State of New Mexico
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Case 8877

ATTN: Mr. Ernie Bush

RE: Discovery Allowable
San Isidro 26-7, Menefee Zone

Dear Ernie:

Enclosed for your information are 2 copies of the following:

1. Map 1000'-1" with all producing wells, dry holes, and lease holders within 2 miles of the discovery.
2. Oil analysis from a swab run. This sample was taken continuously throughout the swab run.
3. Copies of run tickets indicating high gravity crude.
4. Logs required by Rule 509 of State regulations.
5. Summary sheet of production, fluid levels, casing pressures, spm and calculated bottom hole pressure.

An oil gradient of .358 was used to calculate the bottom hole pressures.

Cross sections were not prepared since the closest Menefee production is 5-6 miles away and production is associated with up to 90% water which is typical of other Menefee producers in the area.

The total absence of water associated with high gravity crude appears to be previously non-existent for the Menefee and, hence, is a bona-fide discovery.

We certainly appreciate your cooperation and respectfully request the map showing all wells and lease holders within 2 miles of the discovery be held confidential in order to allow GWOP to obtain essential acreage shown on the map as unleased.

Sincerely,

GARY-WILLIAMS OIL PRODUCER, INC.



Ray Hager
Operations Superintendent

RH:ks

cc: Oil Conservation Division, Santa Fe (1 copy)

SAN ISIDRO 26-7

| <u>Date</u> | <u>Production</u> | <u>Casing psi</u> | <u>Fluid Level</u> | <u>Calculated BHP to 2272' (Top Perf)</u> | <u>spm</u> | <u>Remarks</u> |
|-------------|-------------------|-----------------------|--------------------|---|------------|---------------------|
| 2-11 | 8.00 | 0 | | | | Swabbing |
| 2-12 | 63.00 | 0 | 600* | 604* | | " |
| 2-13 | 37.50 | 0 | 600* | 604* | | " |
| 2-14 | 50.17 | 0 | | | | " |
| 2-15 | 80.50 | 0 | 2123 | 71 | | " |
| 2-16 | 94.50 | 0 | 1960 | 128 | | " |
| 2-17 | 0 | 0 | | | | SI, waiting on |
| 2-18 | 0 | 0 | | | | test allowable |
| 2-19 | 0 | 0 | | | | |
| 2-20 | 60.67 | 0 | | | 6 | Pumping 6 spm |
| 2-21 | 119.00 | 0 | 1860 | 163 | 8 | |
| 2-22 | 95.67 | 0 | 1764 | 197 | 6 | |
| 2-23 | 88.67 | 0 | 1666 | 231 | 6 | Incr to 7 spm |
| 2-24 | 117.34 | 0 | 1012 | 459 | 7 | |
| 2-25 | 108.34 | 0 | 1731 | 208 | 7 | |
| 2-26 | 108.16 | 0 | | | 7 | |
| 2-27 | 80.00 | 0 | | | 7 | |
| 2-28 | 95.00 | 0 | 1927 | 139 | 7 | |
| 3-1 | 95.00 | 0 | 1862 | 162 | 7 | |
| 3-2 | 93.33 | 0 | 1862 | 162 | 7 | |
| 3-3 | 51.67 | 0 | 1796 | 185 | 7 | |
| 3-4 | 85.00 | 0 | 1992 | 117 | 7 | |
| 3-5 | 100.00 | 0 | 2025 | 105 | 7 | |
| 3-6 | 88.34 | 0 | | | 7 | |
| 3-7 | 90.00 | 0 | | | 7 | |
| 3-8 | 86.67 | 0 | | | 7 | |
| 3-9 | 95.00 | 0 | | | 7 | |
| 3-10 | 100.00 | 0 | 1927 | 139 | 7 | |
| 3-11 | 88.33 | 0 | | | 7 | |
| 3-12 | 98.33 | 0 | | | 7 | Slowed to 6 spm. |
| 3-13 | 85.00 | 0 | 2058 | 94 | 6 | |
| 3-14 | 88.33 | 0 | 2156 | 59 | 6 | |
| 3-15 | 83.33 | 0 | 1992 | 117 | 6 | |
| 3-16 | 78.33 | 0 | | | 6 | |
| 3-17 | 73.33 | 0 | | | 6 | |

Cumulative 2,691.51

Total for 26 days on pump = 2,357.84 or 90.68 bopd average

* after overnight SI

Called in by Ernie Nuxon
3/25/86

April 16, 1986

Nomenclature Case

Create San Isidro-Mesaverde
Pool

SW/4 NE/4 Section 26
T 20N - R3W

Discovery Well:

Gary-Williams Oil Producer,
Inc.

San Isidro 26 #7
1900/N + 2250/E
26-20N-3W

Sandoval County

Discovery allowable -
11,360 barrels



115 Inverness Drive East
Englewood, Colorado 80112
(303) 799 3800

LEASE RUN TICKET

Purchaser: GARY ENERGY CORP. Shipper: GARY ENERGY CORP.
Commodity: CRUDE OIL PETROLEUM - FLAMMABLE LIQUID

DATE: 2-24-86

| | | | |
|------------------------------------|-----------------------|-----------------------|--|
| PUMPER | | TAKEN BY | |
| TIME | MAN ISIDRO 26-7 | | |
| DATE | GARY WILLIAMS OILPROD | | |
| MUST BE PULLED BY | | PIC PUERCO MANCOS | |
| | | FED | |
| | | SW NE SEC 26 T20N R34 | |
| | | SANDOVAL CO. N.M. | |
| | | ZONE 67 | |
| OPERATOR TANK # 3907 | | GARY TANK # PL | |
| TRUE GRAVITY | | OBSERVED GRAVITY | |
| DESTINATION: <i>Barro Colorado</i> | | OBSERVED TEMP | |
| WELL WAS | | ON - OFF | |
| | | 0 = ON 1 = OFF | |
| GAUGE FEET IN. | | TEMP OF OIL IN TANK | |
| | | DEG'S FACTOR | |
| Z OVER 14 15 | | BARRELS @ 60° | |
| CLOSURE 2 10x | | TEMP | |
| DIFFERENCE | | OPEN | |
| | | CLOSE | |
| PERCENT B.S. & W. | | BSW | |
| NET BARRELS RECEIVED | | | |
| BOTTOM SEDIMENT (IN) | | | |
| RUNS VIA TRUCK MARKER | | | |
| TRUCK CAPACITY 4400 GAL. | | TRUCK # | |
| TRAILER CAPACITY 5200 GAL. | | TRAILER # | |
| GROSS GALLONS HAULED | | | |
| TIME ON | GAUGER- DRIVER | SEAL # OFF | |
| am/pm | 11 AM | NONE | |
| TIME OFF | OPERATOR WITNESS | SEAL # ON | |
| am/pm | | 19362 | |
| DATE 2/24 | REFINERY TICKET # | | |

THIS TICKET COVERS ALL CLAIMS FOR ALLOWANCE. THE OIL REPRESENTED BY THIS TICKET WAS RECEIVED AND RUN AS THE PROPERTY OF -

C-68-200

OPERATOR

417533



Home Office 707 N. Leech, P.O. Box 1499 / Hobbs, NM 88240 / Ph. 505/393-7751, TWX 910/986-0010
February 18, 1986

Gary Williams Oil Producers
Box 396
Cuba, NM 87013

Case 8877

Attention: Chuck Emmerson

Dear Mr. Emmerson:

On February 17, 1986, an oil sample was submitted to our laboratory for the following analyses:

| <u>LOCATION</u> | <u>GRINDOUT</u> | <u>COMPLETE OIL RESULTS</u> |
|---|--------------------------|---|
| Chuiquilla 26 #7 Swab Run #3 (Time 4:50 p.m.) | 99.9% Oil 0.1% Solids | 84°F Cloud Point 5°F Pour Point 0.94% Paraffin 158°F Melting Point of Paraffin |

If you have any questions or require further information, please contact us.

Sincerely,

A handwritten signature in cursive script that reads 'Elizabeth Wesley'.

Elizabeth Wesley
Senior Lab Technician

EW/kn

cc: Mike Jones
Doyle Roberts
Jerry Golson
Cy Foster