

Union Texas Petroleum

P. O. Box 1290
Farmington, N.M. 87499
(505) 325-3587

May 29, 1984

JUN 1 1984

RECEIVED

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

Re: Application for Exemption from the Provisions of Section 6 of the Natural Gas Pricing Act. Union Texas Petroleum Corporation, McClanahan "A" No. 2-E (Basin Dakota), San Juan County, New Mexico.

Dear Sir:

Pursuant to the provisions of the New Mexico Oil Conservation Division Order No. R-5436, Union Texas Petroleum Corporation hereby submits its application for a determination under Section 6 (Section 62-7-5, NMSA 1978) of the New Mexico Pricing Act that the above well is exempted for reasons other than avoiding the application of the New Mexico Pricing Act.

The above captioned well is located and drilled as an "infill" well in a particular gas pool pursuant to an Oil Conservation Division Order finding that such well will increase recoverable reserves under the applicable proration unit and will result in more efficient use of reservoir energy and will tend to ensure greater ultimate recovery of gas from the pool. The applicable Division Order Number for the Dakota pool is R1670-V.

Transmitted herewith in support of the application is a plat of the area showing the proration unit in question, the location of the above referenced well and the ownership and location of all wells on direct or diagonally offsetting proration units.

Submitted herewith is a copy of the following data which shows the date on which drilling of the well commenced:

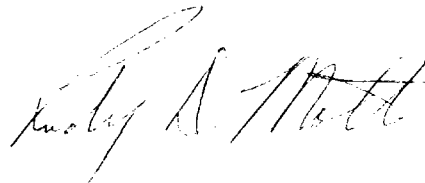
1. Application for Permit to Drill (APD)
2. Sundry Notices with respect to the subject well
3. Well Completion report
4. Certification that the existing well on the proration unit has not been and will not have its ability to produce into the pipeline or be restricted in any manner by Union Texas Petroleum Corporation for the purpose of Amending the application of the New Mexico Pricing Act to sales of natural gas from subject well.

Mr. Joe D. Ramey
Division Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501
Page Number 2

5. This well was drilled to increase recoverable reserves, ensure greater ultimate recovery of gas from the pool and result in more efficient use of the reservoir energy.

Very Truly Yours,

Union Texas Petroleum Corporation



Rudy D. Motto
Area Operations Manager

RDM:svr

cc: Mr. Frank Chavez, Supervisor
District III Office
New Mexico Oil Conservation Division
1000 Rio Brazo Road
Aztec, New Mexico 87410

Gas Company of New Mexico
P.O. Box 26400
Albuquerque, New Mexico 87125
Attention: Gas Supply Department

Campbell, Byrd & Black P.A.
P.O. Box 2208
Santa Fe, New Mexico 87501
Attention: William F. Carr

Mr. D. W. Pickels
Mr. G. R. Johnson
Mr. T. K. Woolley
Mr. W. N. Hahne

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

90-045-25885

Form C-101
Revised 10-1-78

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5A. Indicate Type of Lease
STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name COMM. Agreement No. SW87
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name McClanahan A
2. Name of Operator Union Texas Petroleum Corporation		9. Well No. 2E
3. Address of Operator P.O. Box 1290, Farmington, New Mexico 87499		10. Field and Pool, or Wildcat Basin Dakota
4. Location of Well UNIT LETTER 0 LOCATED 790 FEET FROM THE South LINE AND 1850 FEET FROM THE East LINE OF SEC. 23 TWP. 28N RGE. 10W NMPM		12. County San Juan
19. Proposed Depth 6700 feet		19A. Formation Dakota
20. Rotary or C.T. Rotary		
21. Elevations (Show whether DF, RT, etc.) 5745 GR	21A. Kind & Status Plug. Bond Current \$50,000 Blanket	21B. Drilling Contractor To be Determined
22. Approx. Date Work will start March 15, 1984		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
13-3/8"	10-3/4"	40.5# H-40	(-) 300 ft.	200 SX CL B	Circulated
9-5/8"	7"	23# K-55	(-) 6000 ft.	1075 SX-2Stage	Circulated
6-1/4"	4-1/2"	11.6# K-55	(+) 6700 ft.	200 SX	Circulated

We desire to drill this well to the above designated program using a starch base, permaloid non-dispersed mud system to TD. The intermediate pipe string to have a DV tool set at (-) 2950 ft, and the pipe cemented in two stages. First stage approx. 450 SX of 50-50 POZ and tail in with 100 SX of CL B cement. Second stage approx. 525 SX of 50-50 POZ mix. Logging Program: Intermediate - GR-DIL TD to Surface casing shoe; Liner - GR-DIL; CDL-CNL-CAL. Perforate the Dakota zone in 3 stages and frac each stage to stimulate production. Clean the well up and run production tubing to the Dakota zone. Nipple down the well head. Test the well and connect to a gathering system.

A steel trash bin will be used and after completion will be dumped in an approved dump.

APPROVAL EXPIRES 5-3-84
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS

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 the information above is true and complete to the best of my knowledge and belief.

Signed R. D. Motto Title Area Operations Manager Date January 31, 1984

(This space for State Use)

APPROVED BY James J. Gray TITLE SUPERVISOR DISTRICT # 3 DATE FEB 03 1984

CONDITIONS OF APPROVAL, IF ANY:

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

Operator UNION TEXAS PETROLEUM CORPORATION			Lease MCCLANAHAN "A"		Well No. 2-E
Unit Letter 0	Section 23	Township 28 NORTH	Range 10 WEST	County SAN JUAN	
Actual Footage Location of Well: 790 feet from the SOUTH line and 1850 feet from the EAST line					
Ground Level Elev. 5745	Producing Formation Dakota		Pool Basin		Dedicated Acreage: S 1/2 320.00 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 Comm. Agreement No. SW 87

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 Division

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FEB 03 1984

OIL CON. DIV.

DIST. 3

23

SF 079634-A
McClanahan A 2

(FEE)

1060'

1100'

790'

1850'

CERTIFICATION

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

Name

Rudy D. Motto

Position

Area Operations Manager

Company

Union Texas Petroleum Corp.

Date

January 19, 1984

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey 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

October 24, 1983

Registered Professional Engineer
and/or Land Surveyor

Michael Daly

Certificate No.

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-

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3a. Indicate Type of Lease	
State <input type="checkbox"/>	Fee <input type="checkbox"/>
3. State Oil & Gas Lease No.	
SF 079634	

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		7. Unit Agreement Name
2. Name of Operator Union Texas Petroleum Corporation		8. Farm or Lease Name McClanahan A
3. Address of Operator P.O. Box 1290, Farmington, New Mexico 87499		9. Well No. 2E
4. Location of Well UNIT LETTER <u>0</u> <u>790</u> FEET FROM THE <u>South</u> LINE AND <u>1850</u> FEET FROM THE <u>East</u> LINE, SECTION <u>23</u> TOWNSHIP <u>28N</u> RANGE <u>10W</u> NMPM.		10. Field and Pool, or Wildcat Basin Dakota
15. Elevation (Show whether DF, RT, GR, etc.) 5745' GR		12. County San Juan

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPER. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <u>Spud, Drilled to TD and Cased</u>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

1. Spud 13-1/2" hole on 3/15/84.
2. Drilled 13-1/2" hole to 330' RKB.
3. Ran 7 joints 10-3/4", 40.5#, HE casing and set at 330' RKB.
4. Cemented 10-3/4" w/230 cu.ft. CI "B" w/2% CaCl₂. Cement was circulated. WOC.
5. Pressure tested to 800 PSI. Held ok. (30 minutes).
6. Drilled 8-3/4" hole to 6000' RKB on 3/20/84.
7. Logged hole.
8. Ran 132 joints 7", 23#, K-55 ST & C to 5993', with DV tool at 2957' RKB.
9. Cemented 7" 1st stage w/728 cu.ft. 50/50 POZ, w/2% gel, 6# Gilsonite/sk followed by 118 cu.ft. CI "B" w/2% CaCl₂. Cemented 2nd stage w/1506 cu.ft. 65/35 POZ w/12% gel and 12-1, Gilsonite/sk, followed by 118 cu.ft. CI "B" w/2% CaCl₂. Lost circulation while cementing. Found top of cement 1900' by temperature survey.
10. Pressure tested 7" casing to 3000 PSI. Held ok. (15 minutes)
11. Drilled 6-1/8" hole to 6566' RKB on 3/25/84.
12. Logged hole.
13. Ran 17 joints 4-1/2" 11.6# K-55 ST & C liner to 6565'. Top of liner at 5787' RKB.
14. Cemented 4-1/2" liner with 258 cu.ft. 50/50 POZ w/2% gel, 10# salt/sk, and 1/4# Flocele/

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

SIGNED Charles W. Spoonberg TITLE Petroleum Engineer DATE April 4, 1984
Charles W. Spoonberg

APPROVED BY Paul D. [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE APR 05 1984

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Form O-100
Revised 1-78

1. TYPE OF WELL

2. TYPE OF COMPLETION

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____
NEW WELL ☒ WDRY OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER _____

3. Name of Operator

Union Texas Petroleum Corporation

4. Address of Operator

P. O. Box 1290, Farmington, New Mexico 87499

5. Location of Well

WELL LETTER 0 LOCATED 790 FEET FROM THE South LINE AND 1850 FEET FROM

East LINE OF SEC. 23 TWP. 28N RGE. 10W NEPM

6. Date Spudded 3/15/84 16. Date T.D. Reached 3/25/84 17. Date Compl. (Ready to Prod.) 4/16/84 18. Elevations (DF, RKB, RT, GR, etc.) 5757 R.K.B. 19. Elev. Casinghead 5745

20. Total Depth 6566 21. Plug Back T.D. 6465 22. If Multiple Compl., How Many ----- 23. Intervals Drilled By Rotary Tools 0-6566 Cable Tools -----

24. Producing Interval(s), of this completion — Top, Bottom, Name

6191 - 6384 Dakota

26. Type Electric and Other Logs Run

GR, DIL, CDL, CNL, Cal.

25. Was Directional Survey Made
No
27. Was Well Cored
No

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

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10-3/4"	40.50	330	13-1/2"	See Supplement	
7"	23.00	5993	8-3/4"	See Supplement	
4-1/2"	11.60	5787-6565	6-1/8"	See Supplement	

9. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
4-1/2"	5787	6565	Supplement		2-3/8" E.U.F.	6348	-----

1. Perforation Record (Interval, size and number)

See Supplement

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

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

See Supplement

3. PRODUCTION

Date First Production 5/7/84 Production Method (Flowing, gas lift, pumping — size and type pump) Flowing Well Status (Prod. or Shut-in) Shut-In

Date of Test 5/18/84 Hours Tested 3 Choke Size 3/4" Prod'n. For Test Period 0 Oil — bbl. 0 Gas — MCF 94 Water — bbl. 0 Gas — Oil Ratio
Flow Testing Press. 54 Casing Pressure 314 Calculated 14-Hour Rate 0 Oil — bbl. 0 Gas — MCF 754 Water — bbl. 0 Oil Gravity — API (Corr.)

4. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented - to be sold

Test Witnessed By
Bennie Brown

5. List of Attachments

Item No. 28 (Cementing record), Item No. 31 (Perforation record), Item No. 32 (Frac Record)

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Kenneth E. Roddy
Kenneth E. Roddy

TITLE Area Production Supt.

DATE 5/21/84

Union Texas Petroleum

P. O. Box 1290
Farmington, N.M. 87499
(505) 325-3587

Union Texas Petroleum Corporation
McClanahan "A" No. 2-E
790 ft./S; 1850 ft./E line
Sec. 23, T28N, R10W,
San Juan County, New Mexico

JUN 1 1984

Supplement to Completion Report

Item No. 31 and No. 32 Perforation and Frac Record

Lower Dakota

Perforations: 6376, 78, 80, 82, 84 (total of 5 - 0.27" holes)
Spotted 200 gallons of 15% HCl. Acidized with 800 gallons of
15% HCl.

Upper Dakota

Perforations: 6351, 49, 43, 39, 37, 35, 10, 07, 04, 01, 6298,
95, 92, 89, 86, 83, 80, 77, 74, 71, 58, 56, 21, 19, 16, 14, 11,
08, 6196, 94, 91. Total of 31 - 0.32" holes
Broke down and acidized with 1500 gallons of 15% HCL.
Frac'd with 122,500 gallons of 30 lb. gelled 2% KCl water and
169,900 lb. of 20-40 sand.

Item No. 28 Cementing Record

Cemented 10-3/4" casing with 230 cu. ft. of class "B" with 2% calcium chloride. Cement circulated to the surface. 7" casing: Stage collar set at 2957 ft. R.K.B. Cemented first stage with 728 cu. ft. of 50-50 Pozmix with 2% gel, 6 lb. of gilsonite per sack followed by 118 cu. ft. of class "B" with 2% calcium chloride. Cemented second stage with 1506 cu. ft. of 65-35 Pozmix with 12% gel and 12-1/4 lb. of gilsonite per sack followed by 118 cu. ft. of class "B" with 2% calcium chloride. Found top of cement at 1900 ft. R.K.B. by temperature survey. Pressure tested 7" casing to 3000 P.S.I. for 15 minutes. Held OK. Cemented 4-1/2" liner with 258 cu. ft. of 50-50 Pozmix with 2% gel, 10 lb. of salt per sack, and 1/4 lb. of flocele per sack.

001, 1 1984

CERTIFICATION

I hereby certify that the McClanahan "A" No. 1 well, located 990 feet from the South line and 990 feet from the West line of Section 23, Township 28 North, Range 10 West, N.M.P.M., San Juan County, New Mexico, being the existing well on the proration unit, has not been and will not have its ability to produce into the pipeline restricted in any manner by Union Texas Petroleum Corporation

UNION TEXAS PETROLEUM CORPORATION

By: Rudy D. Motto
Rudy D. Motto
Area Operations Manager

IN WITNESS WHEREOF, I have set my hand and seal of office on this 29th day of May, 1984.

Betty J. Stuart
Notary Public in and for
San Juan County, New Mexico

My Commission Expires:

Aug. 25, 1984