

BURLESON & HUFF

OIL PROPERTIES

BOX 935 - PHONE MU 3-4747

MIDLAND, TEXAS

February 21, 1962

Mr. Ray Smith
300 Simons Building
Dallas, Texas

RE: Burleson & Huff
Angell State No. 3,
Eddy County, New Mexico

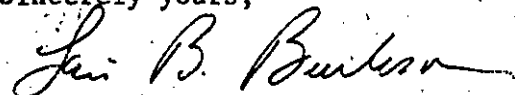
Dear Ray:

Enclosed please find a copy of the log, Hugh Meyer's report and a new map concerning your Angell State No. 3. I have plotted on the logs, the perms and free oil encountered in the hole while the well was drilling. This well was completed flowing 42 barrels of oil per day, after a 5000 gallon acid treatment. Daily run gauges from this well have averaged 7 to 8 barrels of oil per day since it was completed.

The structural position of this well is 60 feet high to the Angell No. 1 and 79 feet high to the Angell No. 2. This well makes considerable gas and only a small amount of fluid, which is probably due to this high structural position. I have assigned 26 feet of possible productive pay to this well. A study of this pay section shows a much more shaley condition for this well than in either the Angell No. 1 or No. 2. We are now in the process of re-entering the old Gulf State A V No. 1, the North offset to this well. If this operation is successful, then we plan to re-acidize the subject well. I am sure such a job will increase the fluid this well produces. In assigning reserves for this well, I am not considering any remedial work but only its present productive capacity. If a re-acid job is successful, then the reserves can be greatly increased. The estimated reserves for the Angell No. 3, based on current productive rates, is 7,000 barrels of oil. This would be a gross 4,515 barrels to your working interest. This 38 gravity oil brings \$2.75 after trucking, which would gross your interest \$12,446.00. Being the third well on the lease, your lifting and well costs are lower than on the No. 1 and No. 2. Your lifting costs are estimated at \$6,000.00, which would give you a return of \$6,446.00. Your well cost of approximately \$14,000.00 would give you a loss of \$7,554.00. However, if a re-acid job can double the reserves, which is quite possible, then you will make money on this venture.

Since the other two wells on this lease will make you a good return, they can carry this well and give you a pay out.

Sincerely yours,



Lewis B. Burleson

LBB:mls

BURLESON & HUFF

ANGELL - STATE
NO. 3

EAST MILLMAN SEVEN RIVERS FIELD

EDDY COUNTY, NEW MEXICO

COMPLETION REPORT

Completed by

ALBRITTON & MEYER

Petroleum Engineers

BURLESON & HUFF

ANGELL - STATE NO. 3

EDDY COUNTY, NEW MEXICO

<u>Field</u>	East Millman Seven Rivers.
<u>Location</u>	1,650 feet from South and East lines Section 21, T-19-S, R-28-E, Eddy County, New Mexico.
<u>Contractor</u>	Ray Smith Drilling Company.
<u>Total Depth</u>	1,177 feet.
<u>Plug Back Total Depth</u>	1,175 feet.
<u>Elevation</u>	3,456 feet G. L.
<u>Pay Zone</u>	Seven Rivers.
<u>Casing</u>	<u>Oil String</u> 4-1/2" 9.5# J-55 set at 1,175 feet and cemented with 150 sacks cement.
<u>Tubing</u>	2" EUE, 4.7#, Used J-55 tubing hung at 986 feet.
<u>Log</u>	The Western Company Gammatron.
<u>Perforations</u>	1006-18; 1022-30; 1033-54; 1058-64; 1071-81 feet.
<u>Treatments</u>	Acidized with 5,000 gallons Western Company 15% HCl Acid.

Burleson & Huff - Angell-State No. 3 - Continued

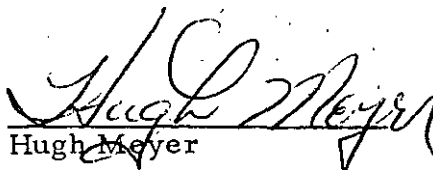
Potential

Well flowed 42 barrels oil plus one barrel water
in 24 hours.

Respectfully submitted,

ALBRITTON & MEYER

By:


Hugh Meyer
Petroleum Engineer

Burleson & Huff - Angell-State No. 3

16 December 1961

TD: 1,177 feet

Ran 4-1/2" 9.5# J-55 smls casing and set at 1,175 feet. Cemented with 150 sacks.

17 December 1961

TD: 1,177 feet

Cut off casing.

18 December 1961

PBTD: 1,175 feet

Ran Western Company Gammatron Log (Gamma Ray - Neutron-CCL). Plug back total depth 1,175 feet. Ran 2" EUE 4.7# J-55 tubing and hung at 1,081 feet. Pressured to 3,000 psi on casing. Held pressure. Displaced hole with oil. Pulled six joints tubing. Perforated 1,006 to 1,018; 1,022 to 1,030; 1,033 to 1,054; 1,058 to 1,064; 1,071 to 1,081 feet (57 feet) with two Western Tornado jets per foot. Hung tubing at 1,081 feet and spotted acid on perforations. Pulled three joints of tubing and hung tubing at 986 feet. Acidized with 5,000 gallons of Western Company regular 15% non-emulsion acid with three stages of ball sealers (110). Formation broke at 1,800 psi and treated at 1,600 to 1,000 psi; dropped 60 balls after 2,000 gallons and pressure increased to 1,300 psi. Treated at 1,300 psi to 1,100 psi. Dropped 25 balls after pumping 3,000 gallons total. Pressure increased to 2,100 psi and treated at 1,100 psi. After pumping 4,000 gallons total dropped 25 balls and pressure increased to 2,100 psi and treated at 1,800 psi. Flushed acid with lease oil at 1,200 psi. Final pressure 1,000 psi and in 10 minutes 800 psi. Overall injection rate 7 BPM. Total load = 120 bbls acid plus 15-1/2 bbls oil = 135-1/2 bbls. Job completed at 2:30 pm. Opened well at 3:00 pm.

Details of 2" EUE Tubing String

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>No. Jts.</u>	<u>Description</u>
0.00	984.76	984.76	31	2" EUE 4.7# j-55 smlstbg
984.76	985.86	1.10	-	2" Pump Seating Nipple
		985.86	31	

Burleson & Huff - Angell-State No. 3

Well flowed three hours. Started swabbing at 6:00 pm.

19 December 1961

PBTD: 1,175 feet

In 16 hours of flowing and swabbing recovered 56 bbls total fluid, 18-1/2 bbls acid water, 15-1/2 bbls load oil and 22 bbls new oil. Well flowed 4 bbls oil from 7:00 am to 4:00 pm. Shut well in at 4:00 pm.

20 December 1961

PBTD: 1,175 feet

Shut in T. P. 185 C. P. 225 psi. Opened well at 9:00 am. Well flowed 4.20 bbls oil in five hours. Shut well in at 2:00 pm.

21 December 1961

PBTD: 1,175 feet

Shut in T. P. 155 C. P. 225 psi. Installed intermitter. Intermittent would not function properly.

22 December 1961

PBTD: 1,175 feet

Installed intermitter and opened well.

23 December 1961

PBTD: 1,175 feet

Intermitter let tubing pressure bleed off. Shut in to pressure up.

24 December 1961

PBTD: 1,175 feet

Opened well.

Burleson & Huff - Angell State No. 3

25 December 1961

PBTD: 1,175 feet

Well dead. Shut in to pressure up.

26 December 1961

PBTD: 1,175 feet

Well dead.

27 December 1961

PBTD: 1,175 feet

Well dead. Shut in casing pressure 250 psi. Swabbed well. Swabbed well three hours. Recovered 8.2 bbls fluid. Fluid level 900 feet after two hours. Last hour swabbed 75% water (acid). Shut well in to pressure up.

28 December 1961

PBTD: 1,175 feet

Opened well at 8:00 am. T. P. 140 psi and C. P. 235 psi. Well flowed one hour and died. Swabbed well one hour and put on intermitter. Well dead at 4:00 pm. Shut well in. Well flowed and swab 7.0 bbls oil.