

Hanson Oil Corporation

PETROLEUM BUILDING
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Hanson Oil Corporation
#1 Miller Federal
Sec. 26, T-14-S, R-27-E
Chaves County, New Mexico

The above referenced well was completed on January 25, 1970 for an initial potential of 800 MCFGPD + 9 BD/MCF. A connection to Phillips Pipeline was made on March 4, 1970, and the well was on production during March and April, 1970. Due to fluid entry and mechanical problems, the well did not deliver any gas to the pipeline until October, 1970. Additional work on the well was performed during July and August, 1970, and periodic flow tests were made in September. The well delivered gas into the pipeline from October, 1970 to February, 1971. Fluid entry gradually increased until there was insufficient bottom hole pressure to continue flowing the well. Remedial work was undertaken during May and June, 1971, and a small amount of gas was delivered to the pipeline during subsequent testing during June and July, 1971. The well has subsequently died due to fluid entry and has been shut in since July, 1971. At present, we are waiting on some specialized down hole production equipment which we anticipate will remedy our production problems.

Gerald E. Harrington Geologist