

9. A Garrett circulating sleeve was installed in the 2" EUE tubing string just below the Pictured Cliffs perforations. This will enable the bottom hole pressure tests to be taken at a future date if so required.
10. Initial potential tests have been run and commercial production has been found in both zones. A packer leakage test has been run and witnessed by a member of the Astec office of the Oil Conservation Commission. This test shows no communication in the well bore between the two producing formations.

Administrative approval is requested for the dual completion to allow production from both known producing formations, eliminating the high initial cost of drilling two separate wells.

Since the drilling block falls well within the boundaries of the San Juan 28-7 Unit, of which El Paso Natural Gas Company is the only operator, approval to dually complete has not been sought from any other operator. I am enclosing:

- (a) Two copies of the schematic diagram of the mechanical installations.
- (b) Two copies of the affidavit from the packer setting company stating that the packer used was set at the depth shown.
- (c) Two copies of the packer leakage test as observed by a member of the Oil Conservation Commission.
- (d) Two copies of the initial potential test showing commercial production from the two formations.

It is intended to dedicate the E/2 of Section 11, Township 27 North, Range 7 West, to the Mesa Verde formation and the NE/4 of Section 11, Township 27 North, Range 7 West to the Pictured Cliffs formation.

Any further information required will be furnished upon your request. Thank you for your consideration in this matter.

Yours very truly,

ORIGINAL SIGNED E. S. OBERLY

E. S. Oberly
Division Petroleum Engineer

ESO/dgb

Encl.

cc: Emory Arnold
Sam Smith
Phil McGrath

