Union Texas Petroleum

August 13, 1987

375 U.S. Highway 64 Farmington, New Mexico 87401 Telephone (505) 325-3587

Mr. Frank Chavez District Supervisor N. M. Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

mail file

Re: Julander #1E (Dakota)
1525' FSL; 1840' FWL
Section 31-T29N-R11W
San Juan County, NM
Federal Lease No. 019407

Dear Frank,

This letter is to confirm our telephone conversation of Thursday, August 13, 1987 concerning flaring of the above well. As I mentioned, because this well is such a poor producer the gas gatherer, Sunterra Gas Gathering Company, wants to disconnect it. The current line pressure is ± 400 psi. We wish to flow the subject well with a 90 psi back pressure to simulate the line pressure of Union Texas Petroleum's Rudy Gathering System. If the well will produce sufficient gas at this lower line presure, we may be able to justify tieing it into our gathering system and, thereby, continue producing the well and recover additional reserves.

We anticipate beginning this three day test on Monday, August 17. Please call me if you have any questions.

Very truly yours,

S. G. Katirgis

S. G. Katergis

Production Engineer

SGK:1mg

cc: W. K. Cooper

OIL CON. DIV