STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

WELL FILE

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

June 21, 1991

MUDGE LS 16 B-10-31N-11W

Julie Zamora Amoco Production Corp. Denver, CO

ATTN: PAUL EDWARDS

This office hereby approves Step Rate Test Procedure "A" with the following options:

- 1. Run pressure bombs below seating nipple to reduce friction and tension due to small diameter tubing. (If contrary to Amoco policy, disregard.)
- 2. Reduce steps to 15 minutes. We have found that duration of steps are not critical as long as they are consistent.

Charles Gholson

Deputy Oil & Gas Inspector

That Whole

District III NMOCD

MUDGE LS 16 NE/4 SEC 10 T31N R11W

STEP RATE TEST PROCEDURÉ (A)

- 1. With a representative from the NMOCD present, perform a mechanical integrity test by holding 300 psig on the casing/tubing annulus for a duration of 30 minutes.
- 2. Rig up slickline and RIH with two downhole pressure bombs and set in seating nipple. Bombs should be capable of measuring pressures for at least 96 hours, at a bottom hole temperature of 120 deg. F. One bomb should be accurate up to 4000 psia, and the other to 8000 psia.
- 3. Keep well shut in for an additional 24 hours.
- 4. With a representative from the NMOCD present, perform the step rate test as follows:

STEP	INJECTION RATE	DURATION
1	1/4 BPM	1 HR Some
2	1/2 BPM	1 HR
3	3/4 BPM	1 HR
4	1 BPM	1 HR
5	1 1/4 BPM	1 HR
6	1 1/2 BPM	1 HR
7	1 3/4 BPM	1 HR
8	2 BPM	1 HR

NOTE:

Continuously monitor surface pressure and rate and keep a detailed log; use a strip chart pressure recorder.

Surface pressure limit is based on the wellhead pressure rating, which is believed to be 3000 psi. Verify before performing SRT.

1 hour time steps are critical. Inconsistency such as shorter or longer time intervals are unacceptable.

Once an injection rate is established at or near the desired rate every effort must be made to keep the rate constant.

Use produced Fruitland Coal water.

John owner