STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

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

December 27, 1990

Ms. Kay Eckstein Snyder Oil Corp. 1801 California St. Suite 3500 Denver, CO 80202

RE: Lea #1M, C-30-31N-12W

Dear Kay:

The 1990 Packer Leakage Test on the referenced well was incomplete and inconclusive.

Please reschedule and retest the well in such a manner as to prove zone separation. Shut both zones in for a minimum of three days. Flow the higher pressured zone to the atmosphere as long as it takes to reduce the pressure to less than the lower pressured zone.

Please notify this office at least 24 hours prior to the test so we may provide a witness.

Yours truly,

Charles Gholson

Deputy Oil & Gas Inspector

NMOCD District III

CG:sh

xc: Well File