

AVRA OIL COMPANY

August 28, 1998

New Mexico Oil Conservation Commission
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. Ben Stone

Ref: Forest A Well No. 1 Disposal Well.
Sec.11,T-18S, R-38 E
Lea County, New Mexico

Dear Mr. Stone:

Pursuant to our conversation August 28, 1998, Avra Oil Company respectfully request a temporary relief for a period of six months to set an injection packer at a depth of 4000' below surface. Meanwhile we will seek a modified application for a permit to dispose of our water into Grayburg and Queen Sand as well as San Andres. The top of Queen formation reported by previous operator is at 3784'.

As you know last week we worked this well over to comply with OCD's rule. We re-perforated the San Andres zone from 4882'-4892', acidized and cleaned out the San Andres formation.

Next day we tripped in the hole with a loc-set packer and 153 joints of 2 7/8" lined tubing to circulate packer fluid. The packer became stuck at 4820.5' K.B After trying to release the packer for a day, we ended up backing off the tubing one joint above the packer at 4790.5 K.B. We do not believe there is any hole in the 5 1/2" casing but rather from the collar locator log the casing looks rough. The combination of scale and rough pipe makes setting any injection packer nearly impossible to get the packer sealed off to obtain a pressure integrity test. Our other concern is to stick another packer in the hole.

Therefore, once again we request to set the injection packer at 4000'. If you have any questions or desire any addition information, please call us at (915)682-4866. I will appreciate your help in regard to this matter.

Sincerely,

Saeed Afghahi
Saeed Afghahi
President



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 31, 1998

Mr. Saeed Afghahi
Avra Oil Company
P.O. Box 406
Midland, Texas 79704-0406

RE: Temporary Provision of Division Order SWD-459.

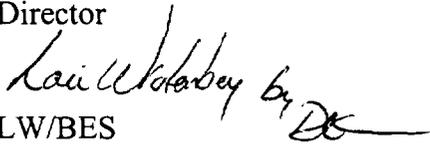
Dear Mr. Afghahi,

Reference is made to your recent request to modify Division Order SWD-459 to accommodate an immediate, temporary need by your company. My staff has considered your request which is hereby granted.

This modification shall be made a part of Division Order SWD-459, thereby providing for the packer to be set at approximately 4000 feet for a period of approximately six months. In the interim, your company shall submit an application to modify SWD-459, to allow for injection into the Queen and Grayburg formations in the subject wellbore. If an application to this effect has not been submitted to and received by this office by April 15, 1999, the authority for the modified packer setting shall terminate ipso facto. If this occurs, you will be required to set the packer within 100 feet (approximately 4752 feet) of the uppermost injection perforation, as originally specified by Division Order SWD-459.

Sincerely,

Lori Wrotenbery
Director


LW/BES

cc: Oil Conservation Division - Hobbs
File: SWD-459