

7-10-90



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

December 10, 1990

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201

RECEIVED
DEC 11 1990
OIL CON. DIV.
DIST. 3

Attention: Brooke Bell

Dear Brooke:

Reference is made to your request dated October 31, 1990, to increase the surface injection pressure on the Mudge "LS" Well No. 16 located in Section 10, Township 31 North, Range 11 West, NMPM, San Juan County, New Mexico. It is my understanding that the step rate test was conducted in July, 1988, and that the test was not witnessed by a representative of the Aztec district office of the Division. I have consulted with Mr. Frank Chavez and we have determined that the test should be reconducted and should be witnessed by the Division. It is further my understanding there may be some question as to the well's mechanical integrity as indicated by the bradenhead test conducted on the subject well. We also feel that this problem should be addressed prior to the conductance of the step rate test.

If you should have any questions regarding this action, please contact myself or Mr. Frank Chavez.

Sincerely,

David Catanach

David Catanach
Engineer

xc: OCD-Aztec