P. O. Box 959 Farmington, New Mexico 87401

September 25, 1980

El Paso Natural Gas Company P. O. Box 289 Farmington, New Mexico 87401

Gentlemen:

Returned herewith, unapproved, is your notice of intention to run a packer and 1½" tubing to effect a casing failure repair on well No. 97 San Juan 32-9 Unit, SW4NW4 sec. 12, T. 31 N., R. 10 W., San Juan County, New Mexico, lease Santa Fe 078389A. As previously discussed, permanent repairs of casing leaks using a packer in the method you propose is not acceptable.

A review of this well file indicates that top of cement on the 2 7/3" casing string is at 1300 feet. Therefore, it may be possible to pull the bad casing (leak indicated to be at 1200 feet) and replace with new casing. In any event, the permanent repair of the casing leak must be accomplished in order to continue to produce from the well.

Please advise this office within 30 days, by notice of intent, of your plans to permanently repair the casing leak.

Sincerely yours,

James F. Sims District Oil and Gas Supervisor

Enclosure

cc: Well file

*MMOCC
Chronological file

JFSims:clh

