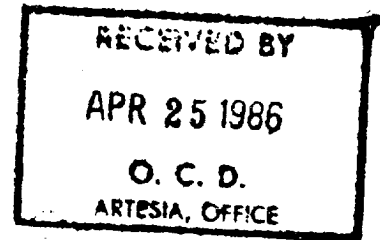




April 22, 1986



New Mexico Oil Conservation Division  
P. O. Drawer DD  
Artesia, NM 88210

Attention: Les Clements

RE: Request for Six Month Extension  
Of Water Injection Tests  
Twin Lakes Field  
Chaves County, New Mexico

Gentlemen:

Our authority to conduct water injection tests into the San Andres formation will expire on May 13, 1986. We have not concluded our tests and request a six month extension. If you concur with our request, please sign both copies of this letter and return one copy in the enclosed self addressed stamped envelope as evidence of your approval.

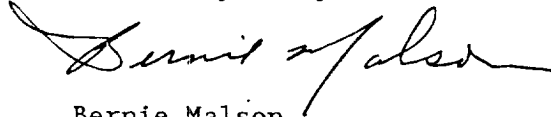
We were granted permission to conduct the tests starting November 14, 1986; however, the test period was not to exceed 180 days. Our approved test program called for injection tests to be conducted for three wells, the O'Brien "L" #3, O'Brien "J" #3 and/or O'Brien "K" #3. We commenced injection into the O'Brien "L" #3 on January 29, 1986. Results of those test to date are reported on the C-103 Forms enclosed herewith. On April 2, 1986 Cardinal Surveys Company ran an Ejecto Log Tracer survey. This log (a copy of which is enclosed) indicates that the P-1 perforations were taking 100% of the water.

Our current plan is to lower the packer in the O'Brien "L" #3 to a point below the P-1 perforations and selectively inject into the P-2 perforations. Following this we will move over and conduct similar tests for the O'Brien "J" #3 and/or O'Brien "K" #3. We hope to be able to conclude our tests in another six months.

New Mexico Oil Conservation Division  
April 22, 1986  
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If you have any questions, please call me at (713) 651-1800.

Yours very truly,



Bernie Malson  
Production Administration Manager

BM:kln  
B:206

Extension Approval  
New Mexico Oil Conservation Division

BY: Mike Williams

Title: OIL AND GAS INSPECTOR

Date: MAY 07 1986