



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
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Director  
Oil Conservation Division

2/14/2002

I.T. PROPERTIES  
3502 YACHTCLUB CT.  
ATT: WENDELL CHEN  
ARLINGTON, TEXAS 76106

RE: 30-015-21638 F-23-19s-28e DHY STATE #1

DEAR MR. WENDELL CHEN,

O.C.D. HAS RECEIVED THE REQUESTED SUBSEQUENT REPORT ON THE REPAIR ACTIONS TAKEN ON THE DHY ST. #1 DATED 2/6/2002.

PER RULE 112-A.F. SECTION{A} PRIOR TO ACTUAL MULTIPLE COMPLETION OF A WELL, THE OPERATOR SHALL MAKE A ADEQUATE PRESSURE TESTS OF THE CASING TO DETERMINE THAT NO CASING LEAKS EXIST. RESULTS SHALL BE REPORTED TO THE DIVISION ON FORM C-103.

R-112-A.F. SECTION {B} THE WELL SHALL BE COMPLETED AND THEREAFTER PRODUCED IN SUCH A MANNER THAT THERE WILL BE NO COMMINGLING OF HYDROCARBONS FROM THE SEPARATE STRATA.

R-112-A.F. SECTION {C} THE OPERATOR SHALL COMMENCE A SEGREGATION TEST AND/OR PACKER LEAKAGE TEST NOT LATER THAN FIFTEEN {15} DAYS AFTER MULTIPLE COMPLETION OF THE WELL. SEGREGATION TESTS AND /OR PACKER LEAKAGE TESTS SHALL ALSO BE MADE ANY TIME THE PACKER IS DISTURBED AND AT SUCH OTHER INTERVALS AS THE DIVISION MAY PRESCRIBE. THE OPERATOR SHALL ALSO MAKE ALL TESTS DEEMED NECESSARY BY THE DIVISION.

R-203.C. SECTION {A} A RETRIEVABLE BRIDGE PLUG OR PACKER WILL BE RUN TO WITHIN ONE HUNDRED {100} FEET OF UPPERMOST PERFORATIONS OR PRODUCTION CASING SHOE AND THE CASING LOADED WITH INERT FLUID AND PRESSURE TESTED TO 500# PER SQUARE INCH WITH A PRESSURE DROP OF NOT GREATER THAN 10% FOR THIRTY {30} MINUATES .

THE DHY STATE #1 SHALL COMPLY TO THE ABOVE MENTIONED RULES BEFORE  
PRODUCTION IS ALLOWED AND LEGAL ACTIONS TAKEN CAN BE DISMISSED.

IF I YOU HAVE ANY QUESTIONS OR IF I CAN BE OF ASSISTANCE.  
PLEASE CALL ME MY PHONE NUMBER IS OFF.505-748-1283.

SINCERELY,

MIKE STUBBLEFIELD      ENV. ENG. SPEC. 1      N.M.O.C.D.