



MAR 25 1991

O. C. D.
ARTESIA OFFICE

Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996

March 22, 1991

State Engineer
District 2 of C
1900 West Second Street
Roswell, New Mexico 88201

Attn: Mr. Art Mason

Re: Manzano Oil Corporation's
Desert Storm State #1
2541' FNL & 1980' FEL
Sec 2, T21S, R28E, N.M.P.M.
Eddy County, NM

Gentlemen:

Manzano Oil Corporation has proposed drilling a 6400' Delaware test in Section 2, Township 21 South, Range 28 East, Eddy County, New Mexico.

The Oil Conservation Division in Artesia has informed us that due to state projections of fresh water and Capitan Reef boundaries in the area, we will be required to run three strings of protection pipe as follows:

1. Drill a 26" hole to 450'. Set 20" casing at 450' and cement casing string back to surface.
2. Drill a 17-1/2" hole to 1700'. Set 13-3/8" casing at 1700' and cement casing string back to surface.
3. Drill a 12-1/4" hole to 3200'. Set 8-5/8" casing at 3200' and cement casing string back to 100' into the 13-3/8" casing.
4. Drill a 7-7/8" hole to TD and if commercial, set 5-1/2" casing to TD. Cement casing string back to 100' into the 8-5/8" casing.

Manzano has employed the services of Geohydrology Associates, Inc. to investigate the presence of potable ground water in this particular section. Their studies in this area cover the past 13 years and conclude that there is no potable ground water in or near the vicinity of Section 2, Township 21 South, Range 28 East. A copy of Geohydrology Associates report is attached for your review.