

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 10, 2005

Juanita Farrell Conocophillips Company 5525 hwy 64 Farmington, NM 87401

RE: San Juan 32-8 #12, M-21-31N-08W, API 30-045-10460

Dear Juanita:

The 2005 Bradenhead test on the above well indicate a failure. Pressure on the intermediate casing is 105# and the 5 min build up is 105#. In order to comply with Rule 108, prevent waste and protect fresh water, you are hereby directed to conduct remedial activity before February 13, 2005.

With your sundry please attach a copy of the last two tests, a current wellbore schematic including formation and cement tops. Indicate the method used to determine the cement top. Provide gas analysis from both the production and intermediate casing.

Reference RBDMS CTP0531455347 on future correspondence.

Notify the Aztec OCD 24 hours before work is initiated.

Thank you,

Charlie T. Perrin District Supervisor

Charlie T. Lerrin

CC: Well file CP