

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 27, 2007

Sharon Zubrod ConocoPhillips Company PO Box 4289 Farmington NM 87499

Re: San Juan 28-7 # 86 K-07-27N-07W, 30-039-07124

Dear Sharon

The 2007 Packer Leakage Test on the referenced well indicates communication between the producible zones.

In order to comply with Rule #112A, you are hereby directed to initiate remedial activity and retest the well to show separation of the zones prior to March 1, 2008
Reference EHV0733152031on all future correspondence

Notify the Aztec OCD in time to witness the retest.

Thank you,

Henry Villanueva

Deputy Oil & Gas Inspector

CC: BLM HV

Well File

This form is not to be used for reporting packer leakage tests in Southeast New Mexico

Oil Conservation Division

Northwest New Mexico Packer-Leakage Test

Page 1 Revised June 10, 2003

Operator ConocoPhillips Inc.				Lease Name SAN JUAN 28-7					Well No. 86				
Location of Wel	: Unit	Letter _	K	Sec	07	Twp _	027N	IRge	e	007W	API	# 30-039-07124	
	Name of Reservoir or Pool			loc	Type of Prod				Method of Prod			Prod Medium	
Upper Completion	PC				Gas				Flow			Casing	
Lower Completion	MV				Gas				Flow			Tubing	
				Pr	e-Flow S	Shut-In	Pressu	ıre Data					
Upper Completion					Length of Time Shut-In 1639 hours				SI Press. PSIG		134	Stabilized?(Yes or No) Yes	
	Hour, Date, Shut-In				Length of Time Shut-In				SI Press. PSIG			Stabilized?(Yes or No)	
Completion 9/12/2007				55 hours						126	Yes		
					Flo	w Test							
Commenced a		9/14/2007	7:39:00 AM				one Pro	oducing (l	Jppei	or Lower)	: Lo	wer	
			Lapsed Time Since*					1	Prod Zone Temperature			Remarks	
(date/time)		<u> </u>		Upp	er zone	Lowe	r zone	rempera	ature			nemarks	
9/14/2007 7:39:29 AM 0			130 130		74	74 took 2 days to ed		to equ	ualize				
11/19/2007 7:39:29 AM 1584				130	1	30	74		took 2 days to equalize		ualize		
Production rate	during	test											
Oil:BPOD Based on:Bb			Bbls. InHrs				Grav			GOR			
Gas		MCF	PD; Test	thru (Or	ifice or M	leter)							
				Mie	d-Test S	hut-in	Pressu	re Data					
Upper Hour, Date, Shut-In Completion			Length of Time Shut-In				SI Press. PSIG			Stabilized?(Yes or No)			
Lower Hour, Date, Shut-In Completion				Length of Time Shut-In			9	SI Press. PSIG			Stabilized?(Yes or No)		
		<i>(</i>):	lure		(Continu	ie on re	verse s	side)					



Flow Test No. 2

Commenced at:			Zone Pro	oducing (Upper	r or Lower)					
Time (date/time)	Lapsed Time		SURE	Prod Zone						
	Since*	Upper zone	Lower zone	Temperature	H	emarks				
		:								
Production rate during	g test D Based on:	Bbls. In	Hrs.	G	Grav.	GOR				
	MCFPD; Test th									
Remarks: 2 days to equalize										
hereby certify that the	e information herein c	ontained is true	and complete	to the best of r	my knowledge.					
approved:		20	Operat	or: ConocoP	Phillips Inc.					
New Mexico Oil Conservation Division			By:	By: Travis Johnson						
By: Failur	Title:	Title: Multi-Skilled Operator								

NORTHWEST NEWMEXICO PACKER LEAKAGE TEST INSTRUCTIONS

- 1 A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.
- 2 At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified
- 3 The packet leakage test shall commende when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided however, that they need not remain shut-in more than seven days
- 4 For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shift-in 'Such test shall be continued for seven days in the case of a gas well and for 24 hours in the case of an oil well. Note if, on an initial packer leakage test, a gas well is being flowed to the atmosphere due to lack of a pipeline connection the flow period shall be three hours.
- 5 Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3

- $6 \quad \text{Flow Test No} \quad 2 \text{ shall be conducted even though no leak was indicated during Flow Test No} \quad 1 \quad \text{Procedure for Flow Test No} \quad 2 \text{ is to be the same as for Flow Test No} \quad 1 \text{ except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced}$
- 7 Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hours tests: immediately prior to the beginning of each flow period, at fitteen-minute immediately prior to the conclusion of each flow period. The day tests immediately prior to the conclusion of each flow period. Aday tests immediately prior to the beginning of each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8 The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Azie. District Office of the New Mexico Ol Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 10-01-78 with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only)