New Mexico Oil Conservation Division

Energy, Minerals and Natural Resources Department 2040 South Pacheco, Santa Fe, New Mexico 87505

Underground Injection Control Program

"Protecting Our Underground Sources of Drinking Water"

27-Sep-00

CENTRAL RESOURCES INC
1775 SHERMAN ST STE 2600
DENVER CO 80203-

Dear Sirs:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines as established by the U.S. Environmental Protection Agency, the well must me shut-in immediately until the well is successfully repaired. The test detail section which follows, indicates preliminary findings and/or probable causes of the failure. Please keep in mind that this is a subjective determination based on one or more factors of the results of the test. The actual malfunction may not be similar in nature to those as estimated by this testing. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division as to the date and time that repairs will be attempted so that such operations may be witnessed by a field representative. Please provide 48 hour minimum notice.

MECHANICAL INTEGRITY TEST DETAIL SECTION

Well Name and Number	Well Type & Status	Location	API Well No.
CENTRAL BISTI UNIT 056	I A	M 5 25N 12W	30-045-05525-00-00

Test Date: 03/17/2000 10:07:59 AM **Permitted Injection PSI:** **Actual PSI:**
Test Reason: 5YRTST **Test Result:** F **Repair Due:** 06/20/2000
Test Type: SAPT **FAIL CAUSE:** COR_INT **FAIL TYPE:** CSG
Comments on MIT: Well bled-down to following pressure in 10 minutes.

Thank you for your prompt attention to this matter and your efforts in helping to protect our ground water resources.

Sincerely,

Bruce Martel

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise, every 5 years; Bradenhead Tests are performed annually. Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. "Failure Type" and "Failure Cause" and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. * Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.