

July 24, 2009

VIA HAND DELIVERY

Mr. Terry Warnell, Hearing Examiner
Mr. Richard Ezeanyim, Chief Engineer
Oil Conservation Division
New Mexico Energy, Minerals &
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RECEIVED OUD

Re: <u>Case No. 14332</u>: Application of Enstor Grama Ridge Storage and Transportation, LLC for approval of a gas storage well, Grama Ridge Morrow Storage Unit, Lea County, New Mexico.

Re: <u>Case No. 14333:</u> Application of Enstor Grama Ridge Storage and Transportation, LLC for expansion of the Grama Ridge Morrow Storage Unit and the area subject to the Special Project Rules and Regulations and Operating Procedures for this storage unit, Lea County, New Mexico.

Gentlemen:

Pursuant to your request, enclosed please find a well bore schematic for the BTA Oil Producers Grama Ridge Federal 88817 Well No. 2 located 1046 feet from the North line and 1273 feet from the East line of Section 9, Township 22 South, Range 34 East, NMPM. This is the temporarily abandoned well that is located approximately ½ mile from Enstor's proposed injection well.

Also enclosed is a revised well bore schematic for the Grama Ridge Federal, 8817 JV-P Well No. 1, located 660 feet from the North line and 1980 feet from the East line of Section 9, Township 22 South, Range 34 East, NMPM. The Morrow Clastics (the storage interval) ranges form 12,754 feet to 13,258 feet and the perforations in this well are between 12,844 to 13,039 feet. The schematic shows that Enster will set a packer at 12,750 feet which is five feet above the storage interval and 9% feet above the top perforation in the well. The bridge plug at the bottom of the interval will span from several feet below and up to 13,255 feet. With these two "bookends" Enstor will completely isolate the Morrow Clastics storage interval, where it plans to inject.

If you need additional information from Enstor for you review of these applications, please advise.

Holland & Hart LLP



Very truly yours,

William F. Carr

cc: Mr. Daryl Gee

Mr. Peter Sterzing

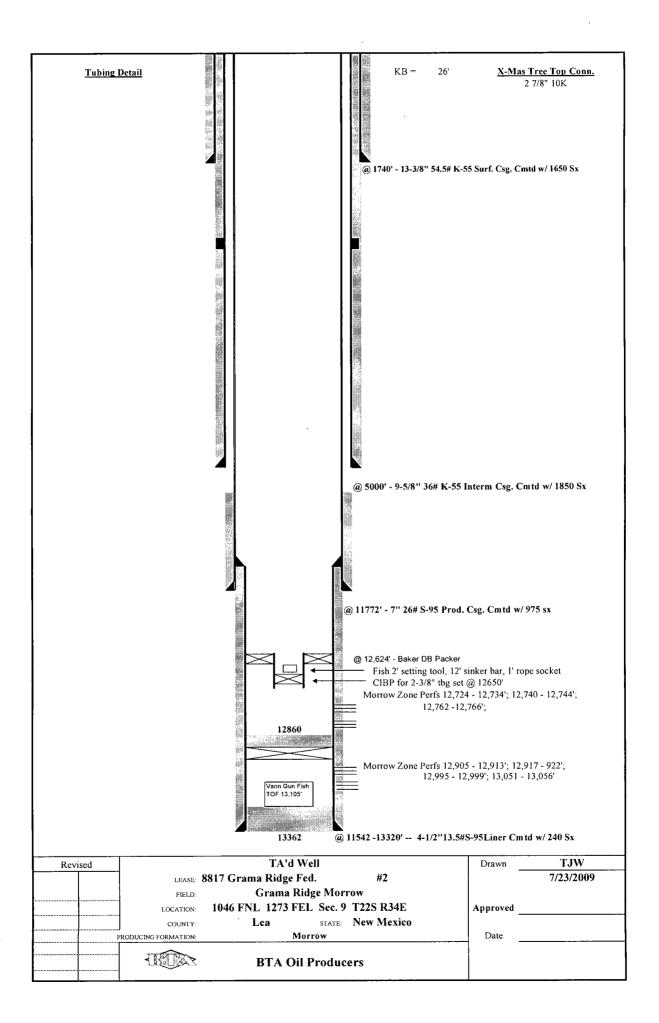
Enstor Grama Ridge Storage and Transportation, L.L.C.

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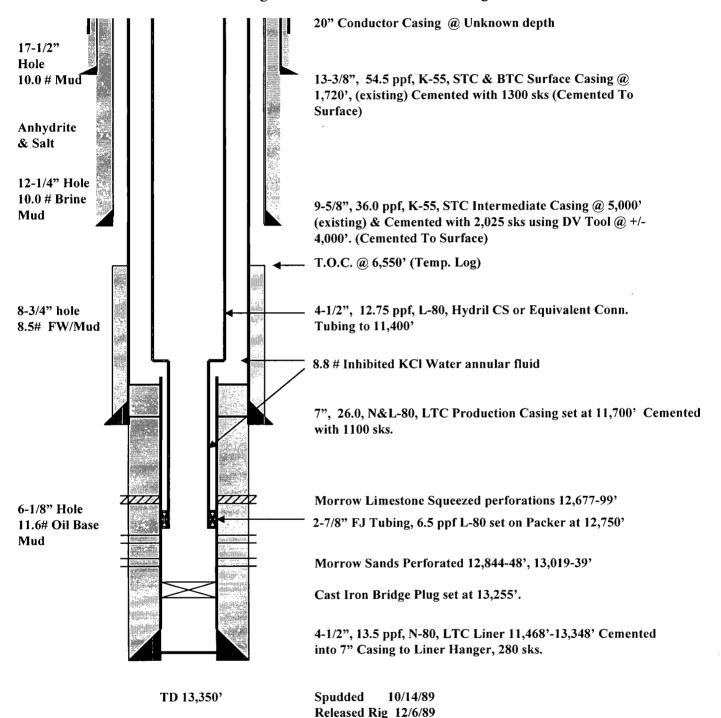


Grama Ridge Federal, 8817 JV-P, #1

API # 30-025-30686

660' FNL, 1980' FEL Sec. 9, T22S, R34E

Following Conversion to Natural Gas Storage



Completed 12/27/89