HOLLAND&HART

William F. Carr wcarr@hollandhart.com

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 OCD

- 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 ¹/₂ 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 Enstor 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 up

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Denver Aspen Boulder Colorado Springs Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Salt Lake City Santa Fe Washington, D.C. 🙃

July 24, 2009 Page 2



Very truly yours, Bay ulcan (.

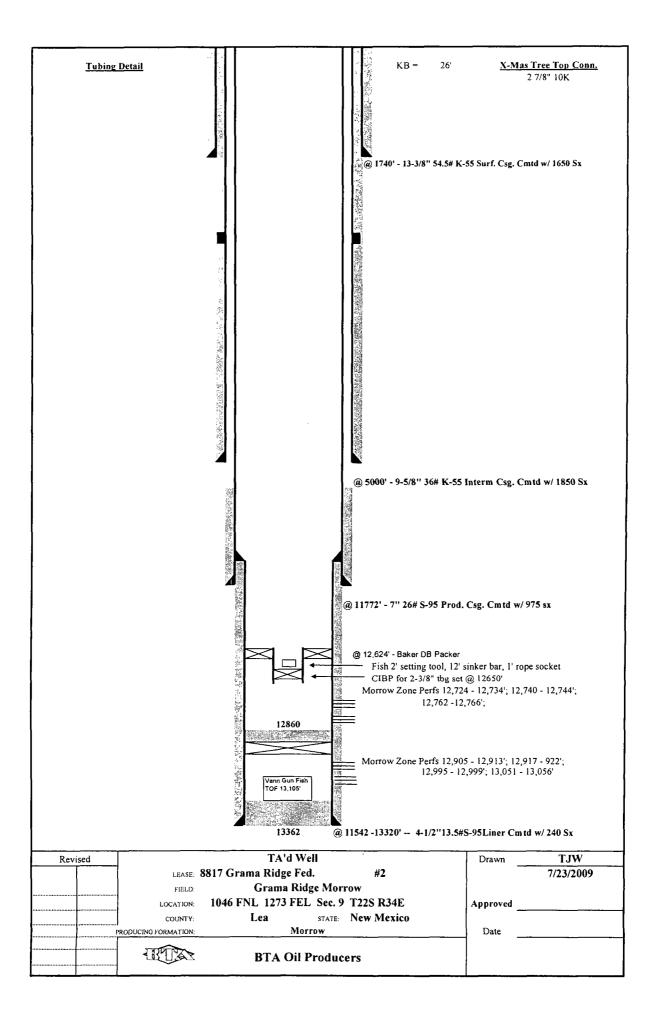
William F. Carr

,**-**

. ′

cc: Mr. Daryl Gee Mr. Peter Sterzing Enstor Grama Ridge Storage and Transportation, L.L.C. 20329 State Highway 249, Suite 400 Houston, Texas 77070 (281) 379-7499

> James Bruce, Esq. Post Office Box 1056 Santa Fe, New Mexico 87404 (505) 982-2043



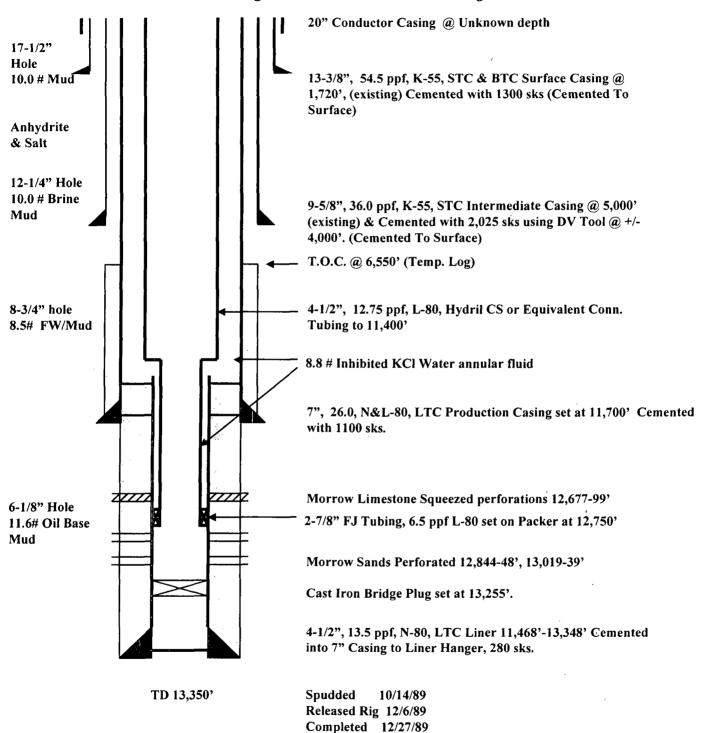
,-

÷.

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



Essex Energy Storage Services, Inc.

,-

7-24-09