Guye, Gerry, EMNRD

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Subject: New Mexico E O St #1

Jerry

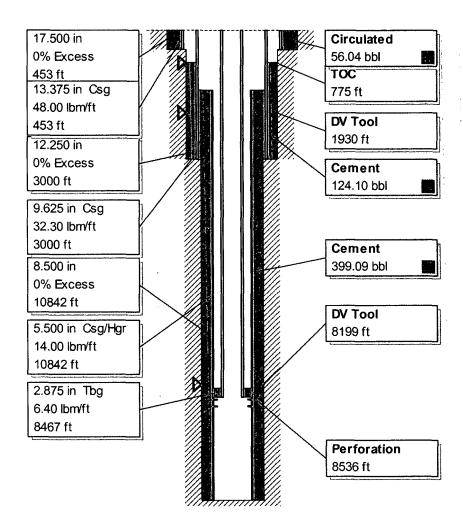
I am referencing our fonecon today regarding the above well. We discussed the following points:

1. The 13 3/8 casing was cemented to the surface.

- 2. The 9 5/8 casing became the production casing when 1300' +/- of the 5 1/2 production casing was pulled.
 - 3. The 9 5/8 casing head is now the production casing head.
- 4. The top of cement on the 9 5/8 is 775' which poses no problem since leaks can be determined through MIT.

Bradenhead tests in the future will consist of monitoring injection pressure and possible tubing leaks.

Gerry Guye Deputy Field Inspector District 2 - Artesia



i-Handbook* - *a mark of Schlumberger