

file

February 5, 1990

Russell Hampton
Grynberg Petroleum Company
5000 South Quebec, Suite 500
Denver, Colorado 80237 2707

Dear Russ,

This letter is in regard to our recent conversations concerning the State "25" Com. #1 well in Section 25, Township 14 South, Range 27 East and the tops in this area. It has taken me longer than I would like to get back to you but it has taken me awhile to go through the well files and the logs.

I've enclosed your cross-section with the tops marked as the state recognizes them. These tops were arrived at after consultation between myself and Bill LeMay. Since our telephone conversation, we've changed a few tops. Most notably the Chester top in the State "25" Com. #1. With the Chester picked at 8256, we felt that left the Barnett too thin. Therefore, we moved the Chester to 8298.

Another area that will need some explanation is the vertical limits of the Buffalo Valley-Penn Gas Pool. As I was looking through the well files, it became apparent that the Mississippian Lime (Miss. or your cross section) was being picked as the top of the Mississippian by the operators. This is due to the fact that this is a pure limestone and a very definite lithologic break thus being easier to agree on. At this time, the state recognizes the Barnett Shale as the top of the Mississippian as far as age determination goes. However, in 1962 when the pool was formed, the Mississippian Lime was the recognized top of the Mississippian System. Therefore, the Division recognizes the Mississippian Lime as the lower limit of the Buffalo Valley-Penn Gas Pool.

If you have any questions, please feel free to contact me at (505) 748-1289.

Sincerely,

Darrell Moore
Geologist