

KCS Medallion Resources, Inc.
7130 South Lewis Avenue
Suite 700
Tulsa, OK 74136-5489

(918) 488-8283 *phone*
(918) 488-8182 *fax*

August 18, 1997



**State of New Mexico
Energy, Minerals and
Natural Resources Department
P.O. Box 1960
Hobbs, New Mexico 88241-1980**

**Attn.: Mr. Chris Williams
Supervisor, District I**

**RE: Vacuum 31 #1-0
Sec. 31, T16S, R35E**

Dear Mr Williams:

Per a conversation with Bonnie of your office to Craig Joplin in our district office on August 7, 1997, please accept this letter in reponse to your letter dated July 31, 1997.

The pumper, Chad Jeter installed new gauges on both the 5-1/2" X 9-5/8" annulus and the 9-5/8" X 13-3/8" annulus. He then opened the casing valve and left open for 24 hours. Upon returning, there was no vacuum and the wells were not showing any sign of downhole fluid movement.

Please also note on the attached wellbore configuration that both the 13-3/8" and 9-5/8" were circulated with cement to surface at the time of drilling.

**Vacuum Letter
Dated August 18, 1997**

**If we can be of any further assistance, please do not hesitate to
contact this office at (918) 488-8283.**

Sincerely,

KCS MEDALLION RESOURCES, INC.

A handwritten signature in black ink, appearing to read "Paul Strickland", written in a cursive style.

**Paul Strickland
General Manger of Production**

**JPA:PHS:jpa
attachment(s)
xc: Craig Joplin
CWF**



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
July 31, 1997
POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

KCS Medallion
7130 South Lewis, Suite 700
Tulsa, Oklahoma 74136

Re: Vacuum 31 #1-O, Sec. 31, T16S, R35E

Gentlemen:

An Oil Conservation Division representative recently witnessed a bradenhead test on the above referenced producing well.

The information available indicates a possible casing leak.

We request that you determine the cause of the strong vacuum both on the surface and intermediate casing, and make any repairs necessary to prevent damage to the affected formations. We request that you submit your proposal for correcting this problem on a sundry notice (C-103) no later than September 30, 1997.

We are enclosing copies of the test sheet for your information.

We request 24 hours notice prior to repairs in order to witness the operation.

Very truly yours

OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Chris Williams".

Chris Williams
Supervisor, District I

CW:bp

cc: William J. LeMay
File

Enclosure

NEW MEXICO OIL CONSERVATION DIVISION
CASING--BRADENHEAD TEST

OPERATOR: INTERCOAST OIL & GAS 33-025-32958
LEASE: VACUUM "31" WELL 9 1 --
POOL: NORTH VACUUM ATOKA-MORROW GAS UNIT LTR 0
FOOTAGE 660-8 SECTION 31 TWN 16 S RANGE 35 E
FOOTAGE 1960-E PRESS LMT TYPE LEASE P TYPE WELL 9
ORDER NO. DATE INJ. BEGAN

TEST DATE	TEST TYPE	PASS/FAIL	OPERATOR REF	CCD REF	CASING SIZE	SET AT	TOP CMT	CEMENTED	PRESSURE	REMARKS
					SURFACE	13 3/8	495	Ø 5405X		
INTERM-1	9 5/8	4585 NDB	16305X							
INTERM-2										
PROD	5 1/2	12750 12,030'	8005X							
LINER										
TUBING										

REMARKS: COMPLETED 3/1/95 SNC
REPAIR LETTER DATE DATE REPAIR

TEST DATE	TEST TYPE	PASS/FAIL	OPERATOR REF	CCD REF	CASING SIZE	SET AT	TOP CMT	CEMENTED	PRESSURE	REMARKS
27-Jun-96	BHT		JIMMY	TURNACLIFF	SURFACE	13 3/8	495	Ø 5405X	3" VAC-Ø	
INTERM-1	9 5/8	4585 NDB	16305X						21" VAC-1	
INTERM-2										
PROD	5 1/2	12750 12,030'	8005X						130	
LINER										
TUBING	2 3/8									125 GAS WELL

REMARKS: COPY FOR J S-NO WORK AT THIS TIME SNC NO
REPAIR LETTER DATE DATE REPAIR

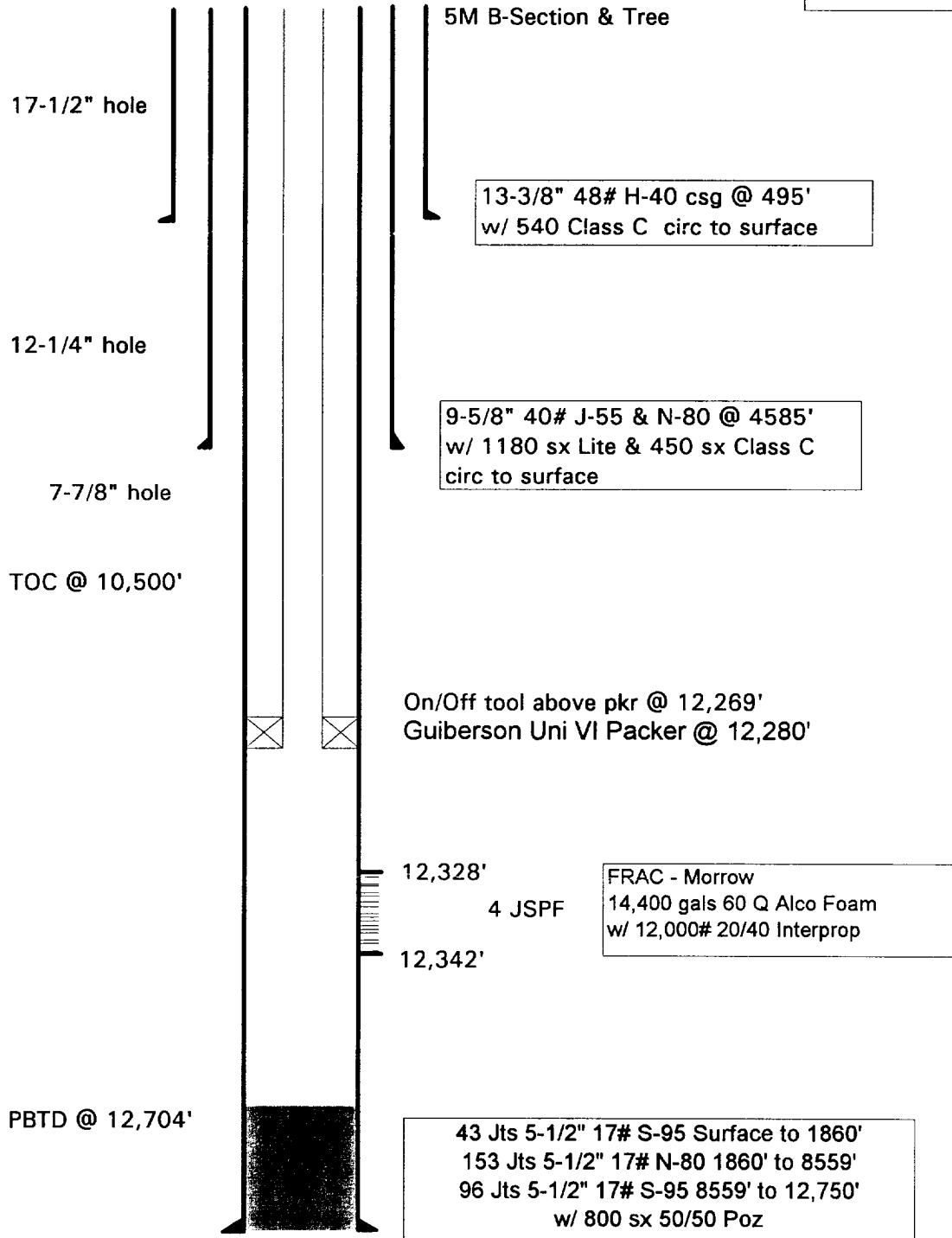
TEST DATE	TEST TYPE	PASS/FAIL	OPERATOR REF	CCD REF	CASING SIZE	SET AT	TOP CMT	CEMENTED	PRESSURE	REMARKS
07-03-97			Chad	Jaen	SURFACE	13 3/8	495	Ø 5405X	Strong Vac	no gauge
INTERM-1	9 5/8	4585 NDB	16305X						Strong Vac	" "
INTERM-2										
PROD	5 1/2	12750 12,030'	8005X						220	
LINER										
TUBING	2 3/8									100 gas well

REMARKS: SNC
REPAIR LETTER DATE DATE REPAIRED

INTERCOAST OIL AND GAS COMPANY
7130 S. LEWIS SUITE 700
TULSA, OK 74136

VACUUM #31-1
Section 31-T16S-R35E
Lea County, New Mexico
Wellbore Configuration

KB = 17 ft AGL



Prepared by: LF/KR

Date: 3/26/96