

HILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762 4001 PENBROOK

May 31, 1984

NATURAL RESOURCES GROUP Exploration and Production

Wyatt-A Federal and Mexco-A Waterfloods, Case No 7994, Order No. R-7519

Mr. Joe D. Ramey New Mexico Oil Conservation Divison P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Sir:

On May 24, 1984, Phillips representatives met with Mr. Jerry Sexton in Hobbs to discuss the "problem wells" listed in the subject order. The following is a summary of that discussion.

Mexco-A

jm:jj

Phillips will attempt to re-enter and plug Phillips Lexco State Well No. 2 and Cockburn Trimble Well No. 1.

Wyatt-A Federal Phillips will attempt to re-enter and plug Cockburn Federal Well No. 1.

Phillips will monitor the 5 1/2"-8 7/8" annulus on Eilliams Well Nos. 2, 4 and 6 and will squeeze the San Andres as required.

The NMOCD district office in Hobbs will contact Energy Reserves and have them repair and/or monitor the San Andres in Denius Federal Well Nos. 2 and 3 as required.

Since re-entry and replugging the subject wells may take several months, Phillips requests permission to commence water injection immediately. Re-entry and re-plugging operations will begin as soon as the appropriate approvals are obtained and will be completed prior to the flood front arriving at the subject wells.

Very truly yours,

E. E. Clark Manager, Permian Basin Region

Mr. Jerry Sexton
NMOCD
P. O. Box 1980
Hobbs, New Mexico 88240