



Hobbs Operating Unit

Texaco Exploration and Production Inc.

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Dear Mr. Gary Wink:

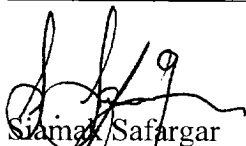
This is to address your request on an update on the status of two wells in Buckeye, as it was forwarded to Texaco Office (letter dated August 24, 00). The two wells are:

Vacuum Grayburg San Andres Unit #39, API #30-025-02264
Vacuum Grayburg San Andres Unit #49, API #30-025-24329

Vacuum Grayburg San Andres Unit 39 is an active producer and does have the required casing integrity according to "OCD" guidelines. We worked on this producer (under-reamed the open hole section) earlier this year and did not have any problem. Furthermore, reviewing the well file did not reveal any problems in the past either. It should be noted that VGSAU #39 API # is 30-025-02264 (and not 30-025-02288 as appeared in your letter)

Vacuum Grayburg San Andres Unit #49 used to be an injector. Our preliminary data, collected in October of 1994, indicated that the casing could have been parted (around +/-4200'). Upon the initial assessment, a CIBP was set at +/-4010 and the well was temporary abandoned. Currently, the future of this well is under review by our Asset Team Members for plugging and abandonment.

Please, advise me if you still need additional paperwork (such as C-103) on the aforementioned wells. Do not hesitate to contact me if you need accommodating information and/or documentation. I can be reached @ 915-6884646 or electronically safarms@texaco.com. Kind regards,



Siamak Safargar

Texaco Exploration & Production Inc.
Production Engineer
Hobbs Operating Unit, Buckeye FMT

8/28/00

