STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

July 30, 1997

POST DIFFICE BOX 1980 HDBBS, NEW MEXICO 88241-1980 (505) 393-6161

Otis Henley Texaco Exploration & Production Inc. 205 East Bender Hobbs, New Mexico 88240

Re: VGSAU #31-J, Sec. 2, T18S, R34E

Dear Mr. Henley:

I have received and reviewed your request to set the packer in the above referenced injection well at a depth of 4167 feet.

In consultation with Paul Kautz, the OCD Geologist, it has been determined that the packer set at this depth will contain injected , fluids to the Grayburg and/or San Andres formations.

You may set the packer at this depth and resume injection into the well as soon as all workover procedures are completed and a satisfactory pressure test is conducted, confirming the success of the repairs.

We request that you submit the pressure chart and a sundry notice (C-103) outlining all procedures utilized to bring the well into compliance with OCD standards.

Very truly yours

OIL CONSERVATION DIVISION

Chris Williams

Chris Williams Supervisor, District I

cc: David Catanach File