AMERADA HESS CORPORATION

P. O. DRAWER "D"
MONUMENT, NEW MEXICO 88265

January 2, 1992

New Mexico Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88240

Attn: Mr. Jerry Sexton

Dear Mr. Sexton,

Attached is a cement bond log for the Amerada Hess operated Arco Phillips A #5. The Arco Phillips A #5 appeared on the insufficient cement list for the North Monument Grayburg San Andres Unit, Division Order R-9596, Exhibit "B". The top perforation is at 3,638', and the cement top according to the bond log is at 2,800' for 838' of coverage. The bond log proves that this well meets the necessary cementing requirements as outlined in Exhibit "B" of Division Order R-9596 and no additional work will be performed on this well.

If you concur with our determinations, we would appreciate your approval on the attached copy of this letter. If you require additional information, please call me at 393-0087. Thank you for your assistance in this matter.

Sincerely,

Jeff Uecker

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Sr. Petroleum Engineer

JU:th

xc: NMG/SAU Personnel

1/8/92

The cement bond log submitted on the Arco Phillips A #5-M. Sec 31. T19S, R37E, shows sufficient coverage to meet the requirements of Division Order R-9596. It is our understanding that your plan is to substitute this well for the Arco Phillips #1 located in the same Unit, Section, Township & Range. It is necessary to get approval from the OCD in Santa Fe, to use this well for injection purposes, either by amendment to the original order or as a WFX order.

Jerry Sexton, Supervisor, District I