C.W. Trainer Operating Account

P.O. Box 888 Hobbs, New Mexico 88241 [505] 392-6950

May 23, 1994

Jerry Sexton New Mexico Oil Conservation Division P.O. Box 1980 Hobbs, NM 88241

RE: Hanson State No. 1 1980' FWL & 660' FSL Section 13, T-20S, R-32E Lea County, New Mexico Lease No. V-2770

Dear Mr. Sexton:

This letter is to inform you that the above described well was deepened from the Bone Spring formation to the Morrow formation. This well was originally drilled to the Morrow and plugged back to the Bone Spring.

A flow test was run on this well on May 7, 1994 and a C-105 is attached. I would like to submit this as a one point AOF test in lieu of a 4 point and C-122. The well was tested against various line pressures ranging from 600# down to 100#. A stabilized rate of 381 mcf/d was established against 100# line pressure during this test. The rate held constant for 18 hours prior to shutting the well back in.

The current status of this well is awaiting a pipeline connection. It is our intention to connect this well to a low pressure pipeline. Five miles of line will be laid for this connection and right-of-way is being purchased now. Further stimulation may be done after the well has produced for a few months and the bottom hole pressure is measured again. If you have any questions, please call or write. Thank you for your assistance in this matter.

Sincerely,

C.W. TRAINER OPERATING

L. E. Cox

Agent

LEC/ct

Attachment

RECEIVED

MAY 25 1994

OFFICE