3) Tested 5 1/2" prod csg x 2 3/8" injection tbg to 500 psi for 15 min. without any leakoff.

Based on the results listed above, it does not appear that the pressures on the 5 1/2" x 2 3/8" and 10 3/4" x 7 5/8" annuli are related and that remedial action is not required at this time. However, the fresh water and casing pressure will continue to be monitored.

If you have any additional questions, please contact me at (505) 393-4121.

Very Truly Yours,

m. E. akim

M. E. AKINS Staff Drilling Engineer

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MEA/pf