STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT DIL CONSERVATION DIVISION HOBBS DISTRICT GEFICE

July 18, 1986

PO ST CFRICE BOX 1 360 HOEBS NEW MEKCO 62540 EC5, 353-6161

Amoco Production Company P.O. Box 68 Hobbs, New Mexico 88240

Re: State "C" Tract 11, Wells #3 & #4, 2-21-36

According to the provisions of Division Order R-7766, concerning the Eunice Monument South Unit Waterflood project, all wells in the area of review must have sufficient cement to shut off the Eumont zone.

Cur records indicate that the top of the cement on the two referenced is below the necessary level.

You have the option of running a cement bond log and submitting them to this office to confirm the location of the top of cement. Otherwise these wells will need to be perforated above the top of the cement and sufficient cement squeezed to bring these wells into compliance with this order.

We request that one of these options be completed by November 1, 1986.

Very truly yours

OIL CONSERVATION DIVISION

(Jerry Sexton Supervisor, District I

JS:BP

cc: R. L. Stamets Chevron U.S.A. Inc.