Submit 3 Copies to Appropriate Dist. Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

Revised 1-1-89

INSTRUCTIONS ON REVERSE SIDE

This form is not to be used for reporting packer leakage tests in Northwest New Mexico

SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

Operator		Lease		Well No.
	The Prospective Investment and Trading Company, Ltd.	Lynch Christmas		4

Location of Well	Unit	Sec.	Twp	Rge	County
	L	1	22S	37E	Lea

	Name of Reservoir or Pool	Type of Prod. (Oil or Gas)	Method of Prod. Flow, Art Lift	Prod. Medium (Tbg. or Csg)	Choke Size
Upper Compl	Blinbry	Gas	Flow	Csg	
Lower Compl	Tubb Oil & Gas	Gas	Flow	Tbg	2"

FLOW TEST NO. 1

Both zones shut-in at (hour, date): 1:00 P.M. 1/27/98

Well opened at (hour, date): 12:00 P.M. 1/28/98

	Upper Completion	Lower Completion
Indicate by (X) the zone producing		X
Pressure at beginning of test	140	160
Stabilized? (Yes or No)	Yes	No
Maximum pressure during test	140	160
Minimum pressure during test	140	10
Pressure at conclusion of test	140	10
Pressure change during test (Maximum minus Minimum)	0	150
Was pressure change an increase or a decrease?	N/A	Decrease

Well closed at (hour, date): 12:00 P.M. 2/2/98 Total Time On Production 5 days

Oil Production During Test: 0 bbls; Grav. N/A Gas Production During Test 350 MCF MCF; GOR N/A

Remarks Upper completion SI for several years, PITCO does not have right to produce.

FLOW TEST NO. 2

Well opened at (hour, date):

	Upper Completion	Lower Completion
Indicate by (X) the zone producing		
Pressure at beginning of test		
Stabilized? (Yes or No)		
Maximum pressure during test		
Minimum pressure during test		
Pressure at conclusion of test		
Pressure change during test (Maximum minus Minimum)		
Was pressure change an increase or a decrease?		

Well closed at (hour, date) Total time on Production

Oil production During Test: bbls; Grav.; Gas Production During Test MCF; GOR

Remarks Second Flow Test could not be completed, PITCO does not have rights to produce Upper zone.

OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the information contained herein is true and completed to the best of my knowledge.

The Prospective Investment and Trading Company, Ltd.
Operator

Signature

John Redmond, Vice President, Engineering
Printed Name Title

February 16, 1998 (918) 747-4999, Ext 17.
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved

By CHRIS WILLIAMS DISTRICT I SUPERVISOR

Title

INSTRUCTIONS FOR SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such test shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.

2. At least 72 hours prior to the commencement of any packer leakage test, the operator shall notify the Division in writing of the exact time the test is to be commenced. Offset operators shall also be so notified.

3 The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized and for minimum of two hours thereafter, provided, however, that they need not remain shut-in more than 24 hours.

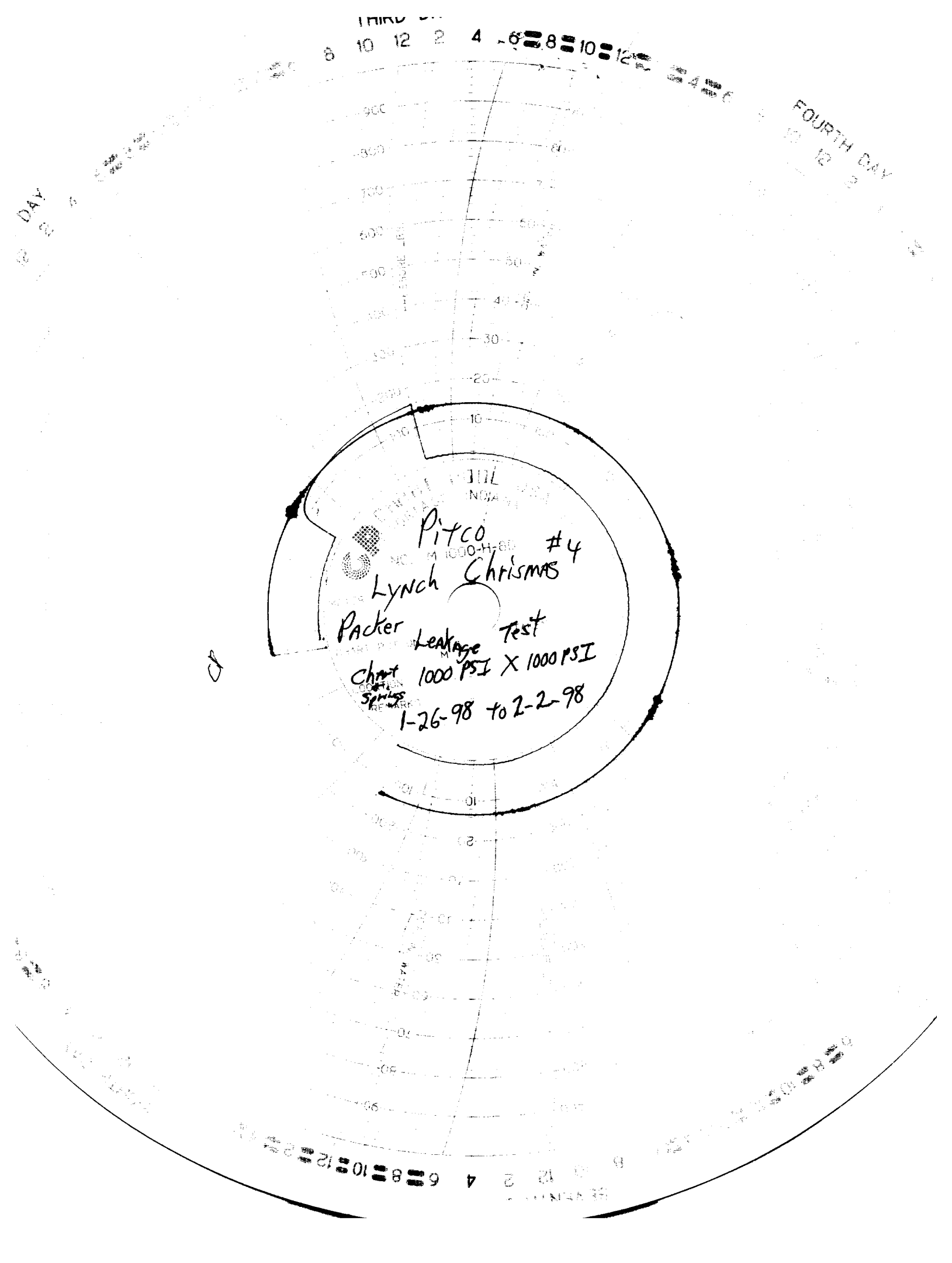
4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued until the flowing wellhead pressure has become stabilized and for minimum of two hours thereafter, provided however, that the flow test need not continue for more than 24 hours.

5. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 3 above.

6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the previously shut-in zone is produced.

7. All pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges, the accuracy of which must be checked with deadweight tester at least twice, once at the beginning and once at the end, of each flow test.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the appropriate District Office of the New Mexico Oil Conservation Division on Southeast New Mexico Packer Leakage Test Form Revised 1-1-89, together with the original pressure recording gauge charts with all the deadweight pressures which were taken indicated thereon. In lieu of filing the aforesaid charts, the operator may construct a pressure versus time curve from each zone of each test, indicating thereon all pressure changes which may be reflected by the gauge charts as well as all deadweight pressure readings which were taken. If the pressure curve is submitted, the original chart must be permanently filed in the operator's office. Form C-116 shall also accompany the Packer Leakage Test Form when the test period coincides with a gas-oil ratio test period.


Pitco #4
Lynch Chrismas
Packer Leakage Test
Chart 1000 PSI X 1000 PSI
1-26-98 to 2-2-98

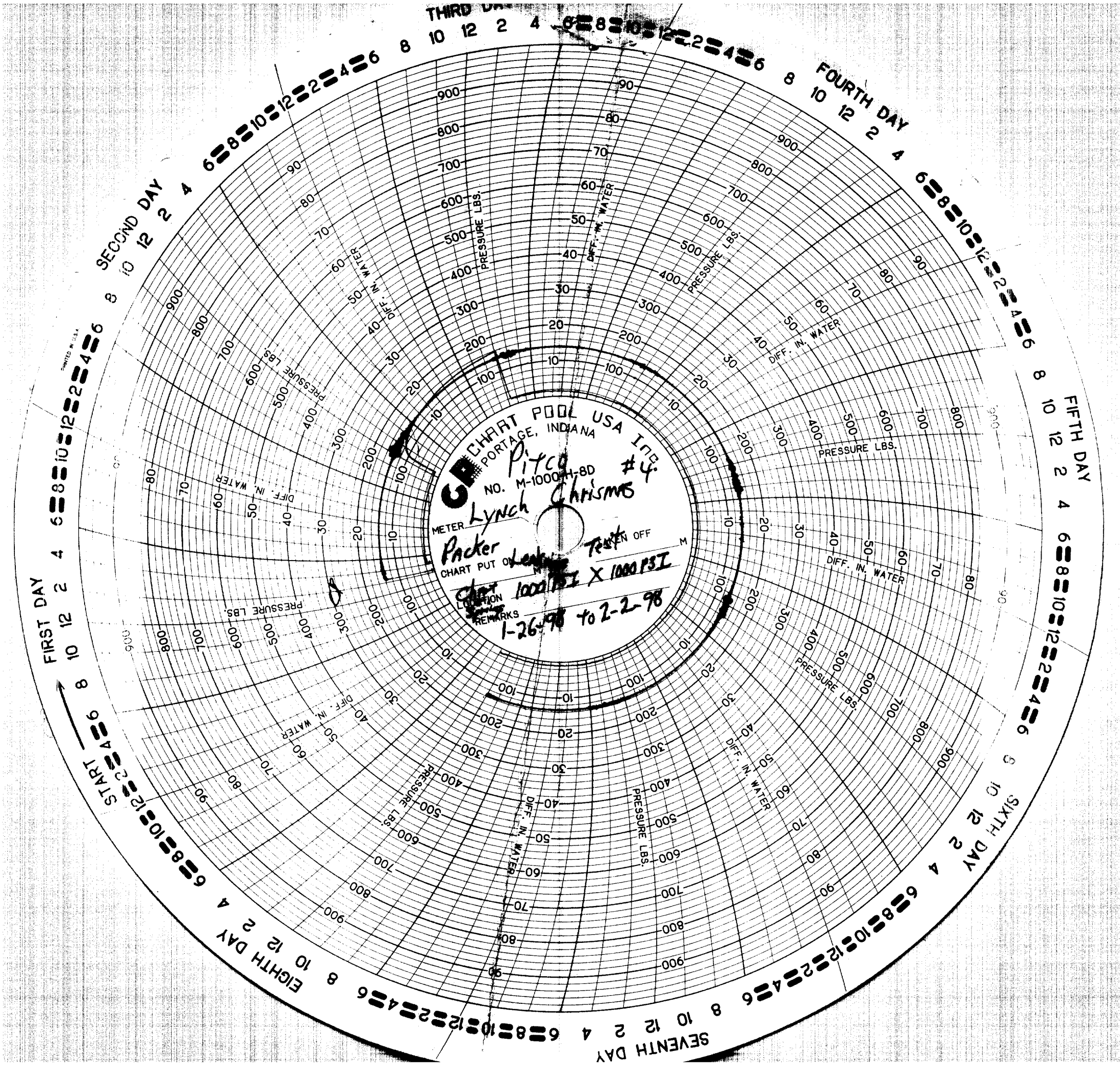
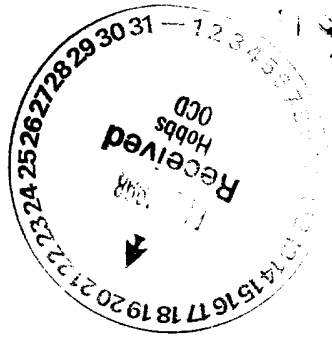


CHART POOL USA Inc.
PORTAGE, INDIANA
NO. M-1000-H-8D
Pitcg #4
METER Lynch Chrisms
Packer
CHART PUT ON
TAKEN OFF
CHART LOCATION 1000 PSI X 1000 PSI
REMARKS 1-26-98 to 2-2-98
FIRST DAY
SECOND DAY
THIRD DAY
FOURTH DAY
FIFTH DAY
SIXTH DAY
SEVENTH DAY
EIGHTH DAY
START
PRESSURE LBS.
DIFF. IN. WATER



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