

STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION

DEPARTMENT OF NATURAL RESOURCES
SUITE 380 LOGAN TOWER BUILDING
1580 LOGAN STREET

DENVER, COLORADO 80203

(303) 866-3531

WILLIAM R. SMITH
Director

FRANK J. PIRO
Deputy Director

RICHARD D. LAMM
Governor



September 20, 1985

Mr. Rex Monahan
P.O. Box 1231
Sterling, CO 80751

Re: Mt. Hope Inspection Summary

Dear Sir;

On August 12, 1985 a mechanical integrity test was conducted on the Mt. Hope W-23 injection well. The well was pressured up to 445 psi and bled down 55 psi which is in excess of our allowable pressure loss. This indicates a probable casing leak. We will allow you to continue injection on a temporary basis provided repair of the well be accomplished by April 1, 1986. If efforts are not made to repair the well by this date the well will be shut-in. In the interim, prior to getting a workover rig on the well we want you to monitor and report monthly on our monitoring report form the bradenhead, tubing, and tubing-casing annulus pressures. In the event abnormal pressures are observed, the well is to be immediately shut-in. Upon completion of the remedial work we wish to be notified by Sundry Notice of the problems found and the actions taken to rectify the situation. In addition, once repairs have been finalized, please contact us so we can reschedule the mechanical integrity test.

It was brought to my attention by John Moore that the Mt. Hope W-28 and the Divide WI-15B (from 2/27/85 Divide Field inspection) have casing leaks, although we didn't test the wells we are going to require you to monitor and report monthly the bradenhead and tubing-casing annulus pressures on our monitoring report form. These wells should also be repaired by our April 1, 1986 deadline. I want to remind you that all injection wells must be in compliance with our rules by satisfactorily passing our mechanical integrity testing procedure by July 12, 1987.

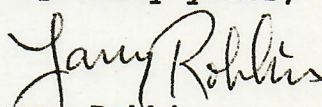
Rex Monahan

September 20, 1985

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If you have any questions or need clarification of our position,
please feel free to contact me or Ed DiMatteo.

Very truly yours,

A handwritten signature in cursive script that reads "Larry Robbins".

Larry Robbins
Petroleum Engineer

LR/ck

Enclosure