

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

TONEY ANAYA

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

December 27, 1985

Basin Fuels, Ltd. 300 W. Arrington Farmington, NM 87401

Re: Slick #1

0-7-20N-5W

Gentlemen:

The annual mechanical integrity test on the referenced water injection well indicated a tubing or packer leak. In order to insure the protection of hydrocarbon and fresh water zones, you are hereby directed to initiate remedial action within 60 days. A copy of the annual mechanical integrity test is enclosed for your reference.

Yours truly,

Carolyn J. Taplin

Field Representative

xc: Prentiss Childs

√Well File UIC File

Operator File