OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178 Fax (505)334-6170

GARY E. JOHNSON GOVERNOR

JENNIFER A. SALISBURY CABINET SECRETARY

June 25, 1997

Ms Connie Dinning Merrion O&G Corp. 610 Reilly Ave Farmington NM 87499

RE:

Canyon Largo UT. #125

M-9-24N-6W

30-039-05535

P.W.U #3

K-15-19N-5W

30-031-20502

Boling Fed #5

C-22-19N-3W

30-043-20092

Dear Ms. Dinning:

According to our phone conversation Wednesday, June 11, 1997, I am verifying by letter that the above referenced wells have come under the directive of NMOCD Rule 705-C. This rule states that whenever there is a continuous six-month period of non-injection into any injection project, storage project, salt water disposal well, or special propose injection well, such project or well will be considered abandoned. Therefore, the authority for injection will automatically end.

Connie, if Merrion O&G intends to use any of the above referenced wells in the future for injection they will have to be repermitted for injection before they can be utilized.

Please contact me at (505)334-6178 if you have any questions.

Sincerely,

Ernest Cardona

Ernest Cardona

Deputy O&G Inspector

EC/sh

XC:

Well files

U.I.C file

E.C file