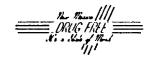


STATE OF NEW MEXICO



ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

BRUCE KING GOVERNOR ANTTA LOCKWOOD
CABINET SECRETARY

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

December 15, 1992

Meridian Oil, Inc. Peggy Bradshaw PO Box 4289 Farmington, NM 87499

RE: Pump Canyon #1, J-07-30N-08W

Dear Peggy:

The New Mexico Oil Conservation Division, as part of its Underground Injection Control authority, requires Meridian to perform an MIT on the above disposal well once every five years. An MIT is due on this well on or before December 22, 1993.

The mechanical integrity of the casing-tubing annulus is tested by submitting the annulus to a pressure of 300 psi for 30 minutes with less than ten percent bleed-off as outlined in Commission Rule 704.

We require a 24 to 48 hour notice so that we may be present to witness testing. Meridian will furnish personnel and equipment to complete the test.

If you have any questions please feel free to contact this office.

Sincerely,

Dianna K. Fairhurst

Deputy Oil & Gas Inspector

XC: David Catanach-UIC Director

Diama K. Sairhurst

UIC File Well File