



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

May 10, 1996

IN REPLY REFER TO:
14-08-001-2081(CA)
3105(07400)

RECEIVED
MAY 13 1996

OIL CON. DIV.
DIST. 3

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Gentlemen:

Meridian Oil, Inc. is operator of Communitization Agreement (CA) 14-08-001-2081, which covers the Pictured Cliffs formation in the NE/4 of Section 7, T.30N., R.11W. and includes portions of lease NMSF-078138. By letter dated December 9, 1993, Meridian was given until February 10, 1994, to demonstrate that the well committed to this CA, **The No. 1 Jones, located on Fee land**, was capable of producing in paying quantities. You did not do so. Therefore, CA 14-08-001-2081 is terminated, effective March 1, 1994.

If you have any questions concerning this matter, please call Geneva McDougall at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Team Leader, Petroleum Management

cc:
NMOCD, Aztec, NM
Attn: Ernie Busch