STATE OF NEW MEXICO



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



BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

December 6, 1993

Mr. Gary Johnson Nassau Resources Inc. 650 S. Cherry St. Suite 1225 Denver, CO 80222-1894

RE: Carracas Unit 27A #82, H-27-32N-05W

Dear Mr. Johnson:

The New Mexico Oil Conservation Division, as part of its Underground Injection Control authority, requires Nassau to perform an MIT on the above mentioned SWD well once every five years. An MIT is due on this well on or before February 2, 1994.

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. All testing schedules should be coordinated through Charles Gholson at 505-334-6178. Nassau will furnish personnel and equipment to complete the test.

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

Sincerely,

Diama K. Sauhurst

Dianna K. Fairhurst

Deputy Oil & Gas Inspector

XC: David Catanach - UIC Director

Charles Gholson

UIC File Well File