

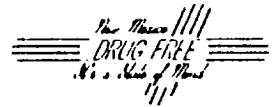


STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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 15, 1992

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

RE: Cedar Hill #1, B-29-32N-10W

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 September 8, 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
UIC File
Well File