

HIP - 38

**PERMITS,
RENEWALS, &
MODS**



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 8, 1989

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CERTIFIED MAIL
RETURN RECEIPT NO. P-106-675-202

Mr. Loren Fothergill
MERIDIAN OIL, INC.
P. O. Box 4289
Farmington, New Mexico 87499-4289

Dear Mr. Fothergill:

The Oil Conservation Division (OCD) has evaluated your request dated December 6, 1989 to hydrostatically test the MA Trunk to MB Trunk Crossover pipeline located in San Juan County, New Mexico. The proposed test will utilize a closed loop system where produced water will be delivered into the system from wells connected to the pipeline and discharged to a disposal well connected to the system. No fluids will be discharged to the ground at the completion of the test.

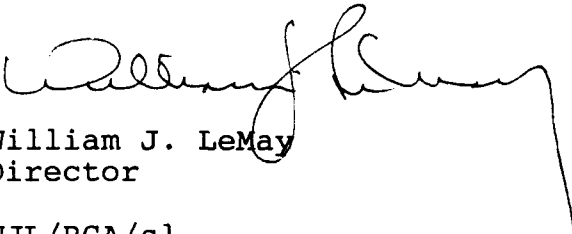
Based on the information provided in your request, the hydrostatic test is hereby approved.

Pursuant to WQCC Regulation 3-106.B, this approval will allow you to conduct this test without an approved discharge plan for a period not to exceed 120 days. If any test exceeds 120 days, a formal discharge plan must be submitted for review.

Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface ground waters which may be actionable under other laws and/or regulations.

If there are any questions, please call Roger Anderson at (505) 827-5884.

Sincerely,



William J. LeMay
Director

WJL/RCA/sl

cc: OCD Aztec Office