



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

August 28, 1991

Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499

Attention: George T. Dunn

Re: Amendment of Division Order No. SWD-176

Dear Mr. Dunn:

Reference is made to your request dated February 6, 1991, to amend Division Order No. SWD-176, which order authorized El Paso Natural Gas Company to utilize the Ute Well No. 1 located in Unit M of Section 11 Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico, as a disposal well, injection to occur into the Bluff and Entrada formations at approximately 3765 feet to 4152 feet. It is our understanding that you wish to amend the injection interval to include the Morrison formation from a depth of approximately 3285 feet to 3575 feet.

The injection interval for the subject well is hereby amended to include the Morrison formation from a depth of approximately 3285 feet to 3575 feet subject to the following conditions:

1) The casing in the subject well shall be pressure tested from the surface to the proposed packer setting depth to assure the integrity of such casing;

2) The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 657 psi;

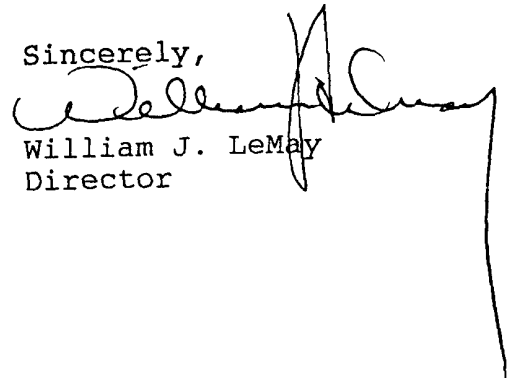
3) 2 7/8 inch plastic lined tubing shall be installed in a packer set at approximately 3237 feet;

4) All other provisions of Division Order No. SWD-176 shall remain in full force and effect;

In addition, Meridian shall obtain applicable Indian and/or EPA approval for such amendment prior to conducting workover operations.

SEP 1991
PROD. ENGINEERING

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', is written over the typed name. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

William J. LeMay
Director

xc: OCD-Aztec
R. Brown
File-SWD-176