



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

May 20, 1994

MS TANYA ATCITY
MERIDIAN OIL INC
PO BOX 7289
FARMINGTON NM 87499

RE: **MERIDIAN OIL INC**
SAN JUAN 27-4 UNIT #105 G-19-27N-04W

SOUTHLAND ROYALTY CO
KOCH STATE COM #1 G-36-29N-09W

Dear Tanya,

The 1994 Packer Leakage Tests on the referenced wells were inconclusive. Please reschedule and retest the wells in such a manner as to prove zone separation. Shut both sides in for a minimum of 3 days. Flow the higher pressured zone to the atmosphere until the pressure decreases enough to determine if there is zone separation. Notify this office at least 24 hours prior to the tests so we may provide a witness.

Yours Truly

Charles Gholson
Deputy Oil & Gas Inspector

CG/cs

xc: Well Files