STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

November 4, 1987

Ms. Brenda Flaherty Meridian Oil Co. P.O. Box 4289 Farmington, NM 87499

Re: Southland Royalty Co.

Grenier A #3M D-34-30N-10W

Dear Brenda:

The 1987 packer leakage test on the referenced well indicates communication between the producing zones.

In order to comply with Rule 112-A and the order authorizing the multiple completion, you are hereby directed to initiate immediate remedial activity.

Yours truly,

Charles Gholson

Deputy Oil & Gas Inspector

CG/dj

xc: Well File