STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

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

Ms. Barbara Norman Meridian Oil Inc. P.O. Box 4289 Farmington, NM 87499

RE: Jicarilla J #23, A-25-26N-05W

Jicarilla J #12, D-35-26N-05W

Dear Barbara:

The 1991 Packer Tests on the referenced wells indicate communication between the producible zones. In order to comply with Rule #112A and the order authorizing the multiple completion, you are hereby directed to initiate immediate remedial activity.

Yours truly,

Charles Gholson

Deputy Oil & Gas Inspector

xc: Well Files