



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 Fax (505) 334-6170

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

July 11, 1996

Dolores Diaz
Meridian Oil Inc
PO Box 7289
Farmington NM 87499

RE: Frontier E 1, O-4-27N-11W, 30-045-13045
Jicarilla J 23, A-25-26N-005W, 30-039-22416
Jicarilla J 010E, N-26-26N-005W, 30-039-22418
Navajo Indian B 006M, D-19-27N-08W, 30-045-23638

Dear Dolores:

The 1996 Packer Leakage Tests on the referenced wells indicates communication between the producible zones. In order to comply with Rule #112A, you are hereby directed to initiate remedial activity or retest the well to show separation of zones. Our files show you have plans to P&A or DHC the above mentioned wells. Could you review the wells and notify me of the status of the wells and the time frame for completion.

Sincerely,

A handwritten signature in cursive script that reads "Johnny Robinson".

Johnny Robinson

JR/sh

cc: well file