MERIDIAN OIL

January 3, 1989

New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

Tradfuld

Att: Mr. Ernie Busch

Re:

Tapacitos #3 1540'N, 995'E

Section 16, T-26-N, R-2-W Rio Arriba County, New Mexico

Gentlemen:

The completion of the subject well was begun on December 28, 1988 and should be completed by January 4, 1989. In order to evaluate the well's potential and most effective production technique, Southland Royalty requests a temporary permit to flow test this well for 2000 barrels of oil. Thank you for your cooperation.

Sincerely,

Peggy Bradfield