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 97410 (505) 334-6178

December 6, 1993

Mr. John Alexander Dugan Production Corporation PO Box 420 Farmington, NM 87499

RE: West Bisti Unit #113, J-19-26N-13W
West Bisti Unit #116, K-21-26N-13W
West Bisti Unit #135, K-26-26N-13W
West Bisti Unit #135, K-26-26N-13W
West Bisti Unit #133, K-27-26N-13W
West Bisti Unit #120, B-30-26N-13W
West Bisti Unit #143, A-33-26N-13W
West Bisti Unit #147, D-36-26N-13W
West Bisti Unit #147, D-36-26N-13W

Dear John:

The New Mexico Oil Conservation Division, as part of its Underground Injection Control authority, requires Dugan Production Corporation to perform an MIT on the above mentioned injection wells once every five years. MIT's are due on these wells on or before October 25, 1994.

The mechanical integrity of the casing-tubing annulus is tested by submitting the annulus to a pressure of 300 psi for 30 minutes with less than ten percent bleed-off as outlined in Commission Rule 704.

We require a 24 to 48 hour notice so that we may be present to witness testing. All testing schedules should be coordinated through Charles Gholson at 505-334-6178. Dugan will furnish personnel and equipment to complete the test.

If you have any questions please feel free to contact this office.

Sincerely,

Alianna K. Chirrens

Dianna K. Fairhurst Deputy Oil & Gas Inspector

XC: David Catanach - UIC Director

Charles Gholson

UIC File Well File