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 87410 (505) 334-6178

May 19, 1994

MS TANYA ATCITTY
MERIDIAN OIL INC
PO BOX 4289
FARMINGTON NM 87499

RE: MERIDIAN OIL INC

ZACHRY #16E P-33-29N-10W
REID B #1E I-31-29N-10W
CANYON LARGO UNIT #177 E-10-25N-06W
JICARILLA 103 #11 E-18-26N-04W
CANYON LARGO UNIT #183 B-02-25N-06W

SOUTHLAND ROYALTY CO

GRENIER A #8M M-35-30N-10W WHITLEY 7E F-09-27N-09W

Dear Tanya:

The 1994 Packer Leakage Tests on the referenced wells indicate communication between the producible zones. In order to comply with Rule 112-A, you are hereby directed to initiate remedial activity prior to November 20, 1994.

Yours Truly

Charles Gholson

Deputy Oil & Gas Inspector

CG/cs

xc: Well Files