



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

May 10, 1996

RECEIVED
MAY 14 1996
OIL CON. DIV.
DIST. 3

IN REPLY REFER TO:

14-08-001-8003 (CA)
3105 (07400)

Meridian Oil Inc.
P.O. Box 4289
Farmington, NM 87499-4289

Gentlemen:

Meridian Oil, Inc. is the approved Operator for Communitization Agreement (CA) 14-08-001-8003 which communitizes production from the Basin Dakota formation in the S/2 Section 4, T-30N, R-11W, San Juan County, New Mexico. The communitized area includes Federal Oil and Gas Lease NMBLM-A-034752 (Aztec Ruins) and was supported by production from:

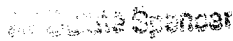
**Magee #1
SESE Section 4, T-30N, R-11W
San Juan County, New Mexico**

Our records show that Magee #1, located on Fee land, has not produced since August 1988. In correspondence dated June 21, 1995, you were advised that failure to restore production, or prove that the well was capable of commercial production, would result in termination of the CA. You did not respond to our June 21, 1995 correspondence. CA 14-08-001-8003 is therefore terminated effective September 1, 1995.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions concerning this correspondence, please call Ray Hager at (505) 599-6366.

Sincerely



Duane W. Spencer
Team Leader-Petroleum Management

cc: NMOCD Aztec (Ernie Bush)