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

May 14, 1996

Ms Delores Diaz Meridian Oil Inc PO Box 7289 Farmington NM 87499

RE: Fee #12A, 30-045-25334, A-12-30N-12W

Dear Delores:

The above-mentioned well failed the 1995 and 1996 Packer Leakage tests. There was a repair letter sent to request remedial activity before August 27, 1995. There was a NIT to repair the well sent in on 1-23-96 and on 1-31-96, the NIT to repair the well was canceled. As I understand your plans to DHC the well have also been canceled.

You are hereby directed to notify the Aztec OCD of your plans for this well before 6-13-96.

Sincerely,

Johnny Robinson

Deputy O&G Inspector

Johnny Rolinson

JR/sh

cc: well file

PLT failure file