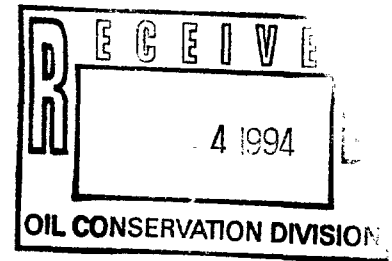


MERIDIAN OIL

November 1, 1994



Mr. David Catanach
Hearing Examiner
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Dear David,

Please consider this letter a formal request for administrative approval of the use of fiberglass tubing in the carbon dioxide injector wells approved in Order No. R-10202, Case No. 11067. Paragraph (4) of this order specifies that injection "shall be accomplished through 2 7/8-inch cement or plastic lined tubing ...". Meridian's subsequent research has indicated that fiberglass tubing with burst and collapse ratings comparable to carbon steel can be obtained at reasonable cost. Potential problems with entrained carbon dioxide that can be experienced with plastic or cement liners do not affect fiberglass.

Meridian feels that superior corrosion resistance and impermeability to carbon dioxide make fiberglass tubing technology ideal for the Allison Basin Fruitland Carbon Dioxide Pilot Project. By eliminating potential problems not related to the applied technology, these qualities will provide effective protection of correlative rights while allowing for a fair and definitive test of a potential beneficial use for extracted carbon dioxide. If I can be of any further assistance or provide any additional data relevant to this request, please don't hesitate to call me at (505) 326-9706.

Sincerely,

A handwritten signature in cursive script that reads "Craig A. McCracken".

Craig A. McCracken, P.E.
Meridian Oil Inc.
P. O. Box 4289
Farmington, NM 87499-4289

CAM

cc: D. B. Jensen
T. K. Baker
A. E. Alexander
J. A. Smith