

February 28, 1996

State of New Mexico Oil Conservation Division

Attention: Mr. Mike Stogner

2040 S. Pacheco Santa Fe, NM 87505

RE: CASE NO. 11432 ORDER NO. R-7992-A

COMPULSORY POOLING
HILL FEDERAL WELL #2Y
N/2 SECTION 25, T25N, R02W

RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

Under Case No. 11432, Meridian proposed a Mesaverde recompletion attempt in the referenced well. Based on information from other recompletions in the general area and the condition of the existing wellbore we have determined that a Mesaverde recompletion will be unsuccessful. We will therefore plug and abandon the well.

Meridian would like to thank you for hearing our Case and affording the working interest owners which wanted to attempt this project the opportunity to do so.

If I can be of further assistance, please let me know

Very truly yours

Van L. Goebel

Senior Landman

VLG/dmg 50153600

cc: W. Thomas Kellahin