

June 14, 1996

Mr. J. Roy White
Berenergy Corporation
PO Box 5850
Denver, CO 80217

Dear Mr. White:


This letter is in response to your letter of March 27, 1996. In your letter you requested approval for an alternate method of performing a mechanical integrity test on 14 wells as required by Rule 324.b. I apologize for the time it took to respond to your letter, but the staff met several times to review and discuss your request.

After careful consideration, the staff has decided not to approve your request for the alternative mechanical integrity test. We will offer the following options for any of the 14 wells for your consideration:

1. Return the wells to production by August 1, 1996.
2. Plug and abandon the wells by October 1, 1996.
3. Pressure test the casing on these wells by October 1, 1996.
4. Submit an individual well bond in the amount of \$5,000 for each well which is not pressure tested and remains shut-in.
5. Submit an injection or disposal well application by September 1, 1996, and begin injection by December 1, 1996. A mechanical integrity test will be required prior injection.

Please call me with any questions or comments.

Sincerely,



Morris Bell
Manager of Engineering