State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin

Cabinet Secretary

Brett F. Woods, Ph.D.

Deputy Cabinet Secretary

David R. Catanach, Division Director Oil Conservation Division



January 8, 2016

Certified Mail

Returned Receipt #: 7013 1090 0001 7318 4319

Jerry McHugh, Jr San Juan Resources, Inc. 1499 Blake St, 10C Denver, CO 80202

Mr. McHugh, Jr:

On February 11, 2015 a memorandum was sent to your office at the above address requiring bradenhead tests for the year 2015, in Area B. The reports were required to be submitted no later than November 1, 2015.

Our well files indicate the required reports have not been submitted. If your wells do not have a bradenhead, a wellbore schematic is required to be submitted on all non-plugged wells without a bradenhead explaining reason for lack of bradenhead.

Please notify me no later than **January 22, 2016** to set up a date and time to perform bradenhead tests with a witness from this office.

You can reach me at 505-334-6178, ext. 123.

Tomea Kueliling

Sincerely,

Monica Kuehling

Deputy Oil & Gas Inspector

District III, Aztec