State of New Mexico









Commissioner of Public Lands

October 21, 1986

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

OIL CON. DIV.

Mr. Robert M. Wilkinson and Margorie Wilkinson P. O. Box 3657 Northridge, California 91323-3657

Re: State of New Mexico Oil & Gas Lease No. K-2462-6 (Jaco Well No. 38, located in Unit Letter D., Section 32, T-20N, R-9W).

Dear Mr. & Ms. Wilkinson:

It has come to our attention that (see photos and fieldman's comments) an oil spill was found on the above premises. Additionally, an uncapped well and apparent abandoned drilling pit was also found.

As a prudent operator you are obligated to preserve the integrity of the surface estate in a manner where it will not endanger the life and property of those who have a right to use the surface of the land.

For this reason, you are hereby notified that you have thirty (30) days from the date of this letter to correct the defaults hereinabove mentioned or proper steps will be taken by this office to get this matter resolved. Let us know in writing when you have corrected this problem.

Very truly yours,

Jim Baca

Commissioner of Public Lands

By: Floyd O. Prando, Director Oil and Gas Division A/C 505-827-5744

JB:FOP:cw Enclosures

cc: New Mexico Oil Conservation Division

Aztec, New Mexico 87410

Lease File K-2462-6