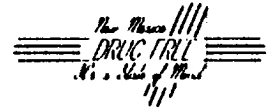




STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

August 7, 1992

Mr. Sean Burr
Basin Fuels, Ltd.
P.O. Box 50
Farmington, NM 87499

RE: Temporarily Abandoned Wells
Slick #2, G-07-20N-05W
Star #7, K-07-20N-05W
Star #5, L-07-20N-05W
Scooter #1, D-18-20N-05W
McCollum #3, O-12-20N-06W
McCollum #1, P-12-20N-06W
Navajo Noo #4, H-13-20N-06W

Dear Mr. Burr:

Thank you for responding to Memorandum (3-91-10) dated December 27, 1991, however, you failed to submit the plans to bring these wells into compliance that were to be in this office by June 30, 1992. These wells are still inactive and require P&A or TA approval under Rules 201, 202 and 203. Your failure to respond will result in violation of Rule 201. If you do not respond by October 1, 1992, we may assess fines or take other appropriate measures.

Sincerely,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

XC: TA File
DKF File
Well File