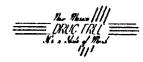
STATE OF NEW MEXICO



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,

Diama K. Jairhunst

Dianna K. Fairhurst Deputy Oil & Gas Inspector

XC: TA File

DKF File Well File