

NORTHWEST EXPLORATION COMPANY

1125 Seventeenth Street, Suite 2100  
303.620-3500

Mailing Address  
P O Box 5800, Terminal Annex  
Denver, Colorado 80217

September 28, 1982

State of New Mexico  
Energy and Minerals Department  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

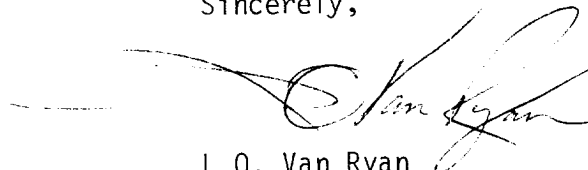
RE: Northwest Exploration Gavilan #1  
NE/4 Section 26, T25N, R2W  
Rio Arriba County, New Mexico  
Downhole Commingling Approval

Gentlemen:

Northwest Exploration Company is not commingling the production on the subject well. We have been producing the Gallup above a packer with the Dakota shut off below. This temporary arrangement was approved by the USGS on May 14, 1982.

Northwest Exploration Company is evaluating each zone before requesting downhole commingling.

Sincerely,



L.O. Van Ryan  
Vice President Operations

LOVR:tmf

