



1777 SOUTH HARRISON STREET • PENTHOUSE ONE
TELEPHONE (303) 759-3303 • DENVER, COLORADO 80210

February 1, 1983

Jeff A. Admister
State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
Aztec District Office
1000 Brabos Road
Aztec, New Mexico 87410

Minerals Management
P. O. Box 959
Farmington, N. Mexico 87499-0600
Attn: Steve Shaffron

Bureau of Indian Affairs
P. O. Box 966
Shiprock, New Mexico 87240
Attn: Randy Cornett

Tribal Compliance Office
P. O. Box 94
Crown Point, N. Mexico 87313
Attn: Allen Nez

RE: NAVAJO 14 #1
C-14-28N-17W
San Juan Co., New Mexico

Gentlemen:

This is to advise that we have given up our effort to drill the subject well. The lease expires on March 5, 1983 and it must be producing prior to that date. We cannot drill, complete and produce a 7550' well between now and March 5. We also had no luck in selling the drilling program to another company. Duncan did not want to take the entire risk of spending \$400,000 on a rank wildcat.

Thank you for your time and effort in getting the permit approved. No doubt we will be working together again.

Very truly yours,

RAYMOND T. DUNCAN

W. S. Fallin
W. S. Fallin
Production Manager

WSF:sw

RECEIVED

FEB 4 - 1983

OIL CON. DIV.
DIST. 3

JAE