

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

TONEY ANAYA

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

February 4, 1986

Ms. Linda Price Greenwood Resources Inc. 315 Inverness Way South Englewood, CO 80112

Re: Division Order R-6800 for Kirtland #11 C-18-29N-14W

Dear Ms. Price:

Pursuant to our telephone conversation of January 28, I refer you to item (12) of the Order, "that all proceeds from production from the subject well which are not disbursed for any reason shall immediately be placed in escrow in San Juan County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership". There is no question of ownership for the tribal land, therefore funds held in escrow for the Navajo Tribe must be released to them within 30 days of the date of this letter. Failure to do so will cause the referenced well to be shut-in and a penalty of \$1000.00 per day for every day you were in violation of the Division order.

If you have any questions, please contact this office.

Yours-truly,

Ernie Busch Geologist III

xc: E. Busch

Jeff Taylor Slayton Oil Co.

B.L.M.

S. Deb Misra - Navajo Tribe

Well File Operator File