BRUCE KING GOVERNOR LARRY KEHOE

SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

JUNE 17, 1981

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

Mr. Tom B. Grant El Paso Exploration Company P.O. Box 289 Farmington, New Mexico 87401

Re: Kernaghan #3 B-29-31-8

Dear Tom:

The referenced well is hereby released from shut-in for a period of four weeks for the purpose of determining whether a casing failure has occured. If a casing failure has occured, you are directed to commence repairs immediately.

If you have any questions, please contact this office.

Yours truly,

Frank T. Chavez District Supervisor

XC: Santa Fe, Harold Garica U.S.G.S. Farmington