



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

Rick Jaspar
Arch Petroleum Inc
POB 10340
Midland, Texas 79702-7340

Ref: API 30-025-36188 CE Lemunyon #78
API 30-025-22472 CE Lemunyon #32
API 30-025-22402 CE Lemunyon #23

It has come to our attention that these wells were recently completed in the Jalmat Pool. We have no record of either intent to plug back to these intervals or a completion paperwork describing the work done. It is my understanding that these wells have been perforated from approximately 2500 feet to 2850 feet. These three wells shall be shut in immediately upon receipt of this letter and shall remain shut in until we receive the proper permits. The gas produced from these wells at this time could be considered illegal gas production and Arch Petroleum Inc. could be subject to fines and penalties up to \$ 1000.00/day/well/incident.

Sincerely

Chris Williams
NMOCD District 1 Supervisor

NMOCD Case No. 13274

Fulfer Exhibit No. C