



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

J. L.
COPY

12/27/01

McQuadrangle, LLC
7008 Salem Avenue
Lubbock, Texas 79424

RE: South Red Lake Grayburg Unit # 37 4-1-18-27 API 30-015-00715

Dear Sirs:

This second directive is to notify you that this well is still in violation of Rule 116 and 105.

On 4 October, 2001 a letter was sent notifying you on the violation of Rule 116. An inspection on 26 December, 2001 found no action has been taken.

This well must be brought into compliance on or before 15 January, 2002.

Failure to bring this well into compliance by the date stated will cause further enforcement. Such enforcement can be an order to Show Cause why the bond should not be forfeited, the well plugged and civil penalties assessed.

Sincerely,

Van Barton
Field Rep. II