



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

August 14, 1981

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

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

Mr. Jay D. Magness
Petroleum Energy, Inc.
Durango, Colorado 81301

Re: Navajo 29 #2 H-29-27N-19W

Dear Mr. Magness:

We have not received all the required information and reports on this well. The records we do have indicate that the well is down-hole commingled in the Paradox and Beautiful Mountain formations without authorization in violation of Rule 112.

You are hereby directed to shut-in the referenced well and cause the different formations to be segregated in the wellbore. Transporters are notified to cease the transporting of products from this well until further notice.

If you have any question, please contact this office.

Yours truly,

A handwritten signature in cursive script, appearing to read "Frank T. Chavez".

Frank T. Chavez
District Supervisor

XC: Reading File
Santa Fe, Ernest Padilla
U.S.G.S., Farmington
Giant Refinery