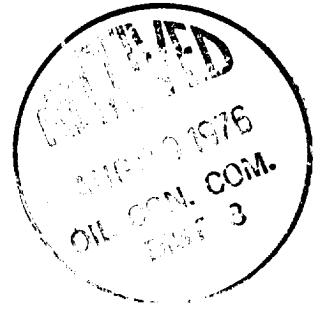


AZTEC OIL & GAS COMPANY

P. O. DRAWER 570
FARMINGTON, NEW MEXICO 87401

August 27, 1976

N. E. Maxwell, Jr.
Engineer, District #3
Oil Conservation Commission
State of New Mexico
1000 Rio Brazos Road
Aztec, New Mexico 87410



Dear Mr. Maxwell:

We have received your letter of August 24, 1976 regarding the communication between zones in the dually completed Grenier A #3.

We are reviewing the well to determine the proper remedial action.

Yours truly,

A handwritten signature in dark ink, which appears to read 'L. O. Van Ryan', is written over a large, stylized, horizontal oval flourish.

L. O. Van Ryan
District Production Manager

LOVR/dg

GRENIER # 3

434-30-10