

Caller Service 4104
Farmington, New Mexico 87499

CERTIFIED--RETURN RECEIPT REQUESTED
P-488-632-839

Dugan Production Corporation
P.O. Box 208
Farmington, NM 87499

AUG 12 1987

Gentlemen:

An inspection conducted on August 6, 1987, by members of my staff showed that the following work should be done to bring your No. 2 Monte Carlo well located 800' FSL and 910' FWL, sec. 24, T. 30 N., R. 15 W., Federal Com No. NM015P35-85C-417 to an acceptable standard:

1. Reserve pit should be filled in.
2. The unused portions of the well pad should be disked and seeded.
3. A well sign with the necessary information should be posted.

If you have any questions, contact Ilyse Ferraiuolo at (505) 325-4572.

Sincerely,

/s/ J. Stan McKee

FOR
Ron Fellows
Area Manager

cc:
NMOCC, Attn: Mr. Frank Chavez

RECEIVED
AUG 13 1987
OIL CON. DIV. I
DUGAN