CERTIFIED MAIL RETURN RECEIPT REQUESTED

September 8, 2000

122811 PRONGHORN MANAGEMENT CORP PO BOX 1772 HOBBS, NM 88241

Re: Current Status of Oil and Gas Wells

In May of this year, the Oil Conservation Division ("Division") sent a letter to you setting forth the Division's information on wells for which you are the operator of record. The letter requested a response with additional information. The Division has had no response to the letter. The Division presumes you agree with the information in the letter regarding your inactive wells.

The wells have not shown production or been reported on Form C-115 for more than one year. The wells are not in compliance with the Division's rules and the New Mexico Oil and Gas Act.

You are hereby directed to bring these wells into compliance within 60 days. In the alternative, within 30 days you may submit a compliance plan including a schedule of activities with dates.

Sincerely,

Tim Gum District Supervisor

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The second second	OIL CONSERVATION DIVISION
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Total de Calabara Comme	CASE NO. 12811

2. Article Number (Copy from service label) 7000 0600 0026 1537 2445 PS Form 3811, July 1999 Domestic Return Receipt	HOBBS, NM 88241	1. Article Addressed to: PRONGHORN MANAGEMENT CORP. P.O. BOX 1772	SENDER: COMPLETE THIS SECTION Complete Items 1,2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.
turn Receipt 102595-00-M-0952	3. Service Type The Certified Mail	If YES, enter delivery address below:	A Received by (Please Print Clearly) A Received by (Please Print Clearly) C. Signature X Many Mathematican form 12 Agent Vac