

C/SF

RECEIVED

HAMON OPERATING COMPANY

REPUBLICBANK TOWER  
325 NORTH ST. PAUL, SUITE 3900  
DALLAS, TEXAS 75201-3902

JUN 22 12 16 PM '88

CARLSBAD AREA OFFICE (214) 922-0282

LARRY D. SMITH, P.E.  
MANAGER OF OPERATIONS

June 17, 1988

RECEIVED

JUN 29 '88

O. C. D.  
ARTESIA, OFFICE

United States Dept. of the Interior  
Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88220

*NM-18726*  
Re: Federal 4 Com #2  
Proposed  
API #30-015-25911  
Eddy County, N.M.

Gentlemen:

Hamon Operating Company requests that the Drilling Permit for the referenced well be cancelled. It is also requested that the Right of Way Use Permit associated with this well be cancelled. This action has become necessary due to unfavorable economics resulting from The Casing Program required by the New Mexico Oil & Gas Conservation Commission.

Should economic conditions improve, this project will be reevaluated.

Sincerely,

*Larry D. Smith*  
Larry D. Smith  
Manager of Operations

LDS/ed

cc: N.M. Oil & Gas Conservation Commission  
P. O. Drawer DD  
Artesia, N.M. 88210

Bill J. Ladas  
Wayne Hulshouser

*Post ID-2*  
*1-7-88*  
*cancel*

ACCEPTED FOR RECORD

*d*  
JUN 29 1988

CARLSBAD, NEW MEXICO