THE CONSTRUCTION Forwarded to Reference NECEIVED

'90 MAR 12 AM 9 35

NOG 8612 1101 (NC) 3162.3-1(I) (019)

元R. O 7 1990

CERTIFIED-RETURN RECEIPT REQUESTED P-140-441-521

Gurley 011 Company P. O. Box 2092 Farmington, NM 87499

Gentlemen:

Enclosed are your Applications for Permit to Drill (APDs) wells No. 3, 5, 6, 7, 8, Salazar Navajocito, sec. 10, T. 20 N., R. 12 W., McKinley County, New Mexico, lease NOG 8612 1101. The subject APDs are rescinded and returned due to drilling not being commenced within 6 months of the final approval extension date.

You are required to request surface rebabilitation instructions from this office if construction activities occurred on the referenced drill site. If this office does not receive comment within 30 days, we will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in an assessment of liquidated damages.

Sincerely,

Ken Townsend

FOR Ron Fellows Area Manager

Enclosure

CC: Mew Mexico Oil Conservation Divison, 310 Old Santa Fe Trail, MARI 3.1990
Room 206, Santa Fe, Nil 87503

OR CON: Dr

ARANIDONED LOCATIONS

BECEIAE