ABANDONED

NM-58878 (WC) 3162.3-1(F) (019)

AUG. 1 5 1989

CERTIFIED-RETURN RECEIPT REQUESTED P-117-127-225

BCO, Incorporated 135 Grant Santa Fe, NM 87501

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 2 Federal L. SW/4NE/4 sec. 28, T. 23 N., R. 7 W., Sandoval County, New Mexico, lease NM-58878. As discussed with Jim Bennet of your company on August 9, 1989, the subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date.

You are required to request surface rehabilitation 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 essessment of liquidated damages.

Sincerely.

FOR Ron Fellows Area Manager

Enclosures

ca: NMOCC, Aztec, NM

AUG1 7 1989

混 CON. DIV. DIST. 3