Caller Service 4104 Farmington, New Mexico 87499

JUL 17 1987

CERTIFIED--RETURN RECEIPT REQUESTED P-488-632-663

Southern Union Exploration P.O. Box 2179
Farmington, NM 87499

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 2 Berry Federal, SW/4NE/4 sec. 11, T. 25 N., R. 13 W., San Juan County, New Mexico, lease NM-53936-A. As discussed with Ed Mann of Mesa Leasing Company who stated the well has not been spudded and requested that the APD be returned to you. The subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date.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, it will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in an assessment for noncompliance.

Sincerely,

/a/ John L. Keller

FOR Ron Fellows
Area Manager

1 Enclosure

CC: NMOCD ADO (015) Well file 3162.3-1(F)

016:SMason:csh:07/15/87

OIL CON TOWN

ABANDONED LOCATION 3