



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

MAR 15 1999

IN REPLY REFER TO:

NMNM-90482 et al. (WC)
3162.3-4 (7100)

RECEIVED
MAR 18 1999

OIL CON. DIV.
DIST. 3

Mr. John Alexander
Dugan Production Corp.
PO Box 420
Farmington, NM 87499

Dear Mr. Alexander:

Reference is made to your Applications for Permit to Drill (APD) for the following wells located in San Juan County, New Mexico:

- 1) No. 1 Little Joe, 1800' FSL & 715' FEL sec. 11, T.23 N., R. 11 W., Lease NMNM-90482. *45-29577*
- 2) No. 1 Dorsey, 1720' FNL & 790' FWL sec. 26, T.22 N., R. 8 W., Lease NMNM-90472. *45-29173*
- 3) No. 6 Salge Federal A, 660' FSL & 1980' FWL sec. 33, T.26 N., R. 13 W., Lease NMSF-078156. *45-28580*
- 4) No. 7 Salge Federal A, 330' FNL & 1650' FEL sec. 34, T.25 N., R. 13 W., Lease NMSF-078156. *45-28577*
- 5) No. 1 Atlantis, 1640' FNL & 1110' FWL sec. 3, T.30 N., R. 14 W., Lease NMNM-10561. *45-29110*

The above mentioned enclosed APDs are hereby rescinded due to not being drilled within the one year approval date and/or approved extensions.

You are also required to request surface rehabilitation instructions from this office if construction activities occurred on the referenced drill sites. If this office does not receive comment within 20 days, it will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, will result in an assessment.

Sincerely,

/S/ Duane W. Spencer

Duane Spencer
Team Leader; Petroleum Management Team

Enclosure

cc:
NMOCD