

*Gas will
zone abandon
Speerex LTD part
MUSTANG Flats #1*

NMNM-87300 (WC)
3162.3-1 (07337)

APR 11 1994

Mr. Brian Wood
Texakoma Oil and Gas Corporation
c/o Permits West, Incorporated
37 Verano Loop
Santa Fe, NM 87505

Dear Mr. Wood:

Reference is made to your Application for Permit to Drill (APD) for Well No. 1 Mustang Flats, 600' FNL and 600' FEL (NE~~1~~/~~4~~), Sec. 20, T. 25 N., R. 13 W., San Juan County, New Mexico, Federal Lease No. NMNM-87300. The APD was received on April 4, 1994 and the posting date for the start of the 30-day waiting period is March 8, 1994. The following information is required in order to comply with Bureau of Land Management engineering requirements:

- 1. NMOC approval of the unorthodox location.

Speerex Ltd. Partnership's approved APD, for Well No. 1 Mustang Flats, 1650' FNL and 1830' FEL (SW~~1~~/~~4~~), Sec. 20, T. 25 N., R. 13 W., San Juan County, New Mexico, Federal Lease No. NMNM-87300, has been replaced by the Texakoma Oil and Gas Corporation APD for Well No. 1 Mustang Flats and is hereby rescinded and returned.

You are required to request surface rehabilitation instructions from this office if construction activities have occurred on the abandoned drill site. If this office does not receive comment within 30 days, it will be presumed that no construction occurred. Later discovery that construction activities have occurred, may result in assessment of liquidated damages.

The Texakoma Oil and Gas Corporation APD for Well No. 1 Mustang Flats, is being processed. If you have any questions, please contact Mr. Errol Becher of this office at (505) 599-6358.

Sincerely,

/s/ Ken Townsend

Ken Townsend
Chief, Branch of Drilling and
Production

Note: A retained, but incomplete APD must be brought to an acceptable level of completion within 45 days of the date of this notice or it will be returned unapproved.

1 Enclosure

ABANDONED LOCATION

cc: See Attached List

*Entered into ALMRS
6-10-94 219*