

PHILLIPS PETROLEUM COMPANY

P. 0. Box 2920 Casper, Wyoming 82602

February 16, 1977

Re:

Jicarilla 28-3 #2 Sec 5-28N-3W

Rio Arriba Co., NM

Oil Conservation Commission State of New Mexico 1000 Rio Brazas Rd Aztec, NM 87410

Attention: A. R. Kendrick

Dear Mr. Kendrick,

In reference to your letter dated February 7, 1977, this is to advise we have made a contractual farmout agreement with Jerome P. McHugh on the above subject lease. Therefore, Notice of Intention to Drill should be cancelled.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

A. T. Crump

Area Superintendent