P.O. Box 959 Parmington, New Mexico 87401

January 5, 1981

Dugan Production Corporation P.O. Box 208 Farmington, New Mexico 87401

Gentlemen:

Reference is made to your Application for Permit to Drill well No. 1 Ivy, sec. 16, T. 28 N., R. 11 W., San Juan County, New Mexico, lease No. New Nexico 013365.

The subject Application is hereby terminated and returned due to drilling operations not being commenced within one year of the approval date.

Please be advised you are required to notify this office for the appropriate surface rehabilitation in the event that construction activities have occurred on the referenced drillsite.

A new Application must be submitted if you decide to drill the subject well at a later date. Such an Application would be processed in the same manner as your original filing.

Sincerely yours,

James F. Sims
District Oil and Gas Supervisor

Enclosure

cc: Well file (rescinded) / DRO 9-1 Chronological BLM

BWamsley:cap

