

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

MAY 21 "

IN REPLY REFER TO: NMSF 080245B 3162.3-1 (07100)

> D.J. Simmons, Inc. 3005 Northridge Dr. Farmington, NM 87401

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 1B L.V. Hamner A, SWSW, Sec. 21, T. 29N., R. 9W., San Juan County, NM., lease NMSF 080245B. The subject APD is rescinded and returned due to drilling not being commenced within the time frame authorized by either the APD or an extension of the approval date.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, we will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in assessment of liquidated damages.

Sincerely,

Matthew Warren Petroleum Engineer,

Mathew Waves

Petroleum Management Team

1 Enclosure

CC:

NMOCD, Aztec, NM

