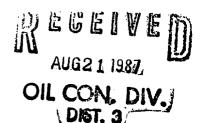
Caller Service 4104 Farmington, New Mexico 87499

CERTIFIED-RETURN RECEIPT REQUESTED P-488-632-865

AUG 20 1987



El Paso Natural Gas Company P.O. Box 4289 Farmington, NM 87499

Gentlemen:

Euclosed are your Applications for Permit to Drill (APDs) for the following wells:

- 1. No. 14 Schumacher, SW/4NE/4 sec. 17, T. 30 N., R. 10 W., San Juan County, New Mexico, lease SF-077764.
- 2. No. 2 De Ma Hez Za, NW/4NW/4 sec. 18, T. 26 N., R. 8 W., San Juan County, New Mexico, lease 14-20-603-772.
- 3. No. 38A San Juan 30-6 Unit, SV/4NW/4 sec. 27, T. 30 N., R. 7 W., Rio Arriba County, New Mexico, lease SF-079074.
- 4. No. 76A San Juan 30-6 Unit, SE/4SE/4 sec. 24, T. 30 N., R. 7 W., Rio Arriba County, New Mexico, lease SF-079382.
- 5. No. 64A San Juan 30-6 Unit, SW/4SE/4 sec. 11, T. 30 N., R. 7 W., Rio Arriba County, New Mexico, lease NM-012710.

As discussed with Peggy Doak of your company on August 13, 1987, the subject APDs are rescinded and returned due to drilling not being commenced within a six month extension period following the original one year approval date.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, it will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in an assessment for noncompliance.

Sincerely,

/s/ John L. Keller

Ron Fellows ** Area Manager

5 Enclosures

Well files (5)

016:SMason:csh:08/19/87

LOCATION

cc: BIA, Window Rock __NMOCD 3162.3-1(I/F)

Suspense FSM

30th Street