FEB 20 1991

CERTIFIED--RETURN RECEIPT REQUESTED P-950-802-040

Meridian Oil Inc. P.O. Box 4289 Farmington, NM 87499

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 290 Neudecker Com, SE/4NE/4 sec. 14, T. 29 N., R. 10 W., San Juan County, New Mexico, lease SF-079509. The subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date and following the second six month extension period.

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,

/s/ John L. Keller
John L. Keller, Chief
Branch of Mineral Resources

FEB2 5 1991
OR CON. DIV.
DIST. 3

Enclosure

cc:New Mexico Oil Conservation Division, 1000 Rio Brazos Rd.,

ABANDONED LOCATION