

Caller Service 4104
Farmington, New Mexico 87490

APR 02 1986

URGENT--RETURN RECEIPT REQUESTED

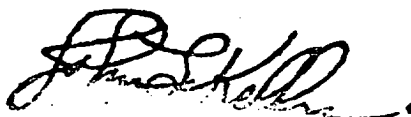
Arco Production Company
501 Airport Drive
Farmington, NM 87401

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 1 Jicarilla Tribal 535, SW/4SW/4 sec. 29, T. 31 N., R. 3 W., Rio Arriba County, New Mexico, Lease Jicarilla 535. As discussed with Lino Martin of your company on March 27, 1986, the subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date.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 15 days, we will presume that no construction occurred. Later discovery that construction activities have in fact occurred, will result in an assessment.

Sincerely,



FOR John C. McNece
Acting Area Manager

Enclosure

cc:
M. G. C.

RECEIVED

APR 04 1986

OIL CON. DIV.
DIST. 3

ABANDONED LOCATION