

Drawer 600
Farmington, New Mexico 87499

CERTIFIED

Dugan Production Corporation
P. O. Box 208
Farmington, New Mexico 87499

Gentlemen:

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

Nos. 1, 3, 4 and 6 Hogan, NW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 30, NE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 31, NE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 32, and SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 32, respectively.

Nos. 3, 5, 6, 7 and 8 Horseshoe, SW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 32, NE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 32, SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 32, SE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 30, SW $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 32, respectively.

All located in T. 32 N., R. 17 W., San Juan County, New Mexico, lease 14-20-603-536.

The subject APDs are rescinded and returned as requested in our phone conversation of June 30, 1983, with Fran and Jim Jacobs of your Company.

You are required to request surface rehabilitation instructions from this office if construction activities occurred on the referenced drill sites. If this office does not receive comment within 15 days, it will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, will result in assessment of liquidated damages.

Sincerely yours,



Acting Area Manager

Enclosures

cc: BIA, Window Rock
NMOCC

RECEIVED

JUL 11 1983

OIL CON. DIV.
DIST. 3

RECEIVED

NOV 19 1960