ABARLOLID

DOUGHON

AUG. 1 7 1989

SF-079266 et al. (WC) 3162.3-1(F) (019)

CERTIFIED-RETURN RECEIPT REQUESTED F-117-126-676

tieridism Oil Incorporated P. O. Box 4289 Farmington, Nii 87499

Gentlemen:

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

- 1. 1A Newco, NW/4NW/4 sec. 20, T. 32 N., R. 9 W., San Juan County, New Mexico Lease NM-58887
- 2. 2A Mewco, SE/4NE/4 sec. 19, T. 32 N., R. 9 W., San Juan County, New Mexico Lease NI-58687
- 3. 33A Vaughn, SW/4NE/4 sec. 26, T. 26 N., R. 6 W., Rio Arriba County, New Hexico, lease SF-079266
- 4. 34 Vaughn, SE/4NV/4 sec. 26, T. 26 N., R. 6 W., Rio Arriba County, New Mexico, lease SF-079266
- 5. 2 Lloyd D, SW/4SE/4 sec. 21, T. 30 N., R. 11 W., San Juan County, New Mexico, lease SF-078398

As discussed with Peggy Bradfield of your company on August 9, 1989, the subject APDs are rescinded and returned due to drilling not being commenced within one year of the approval date.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 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,

Isl John L. Keller

FOR Ron Fellows
Area Manager

DEGENVED AUG21 1989

OIL CON. DIV

Enclosures

cc: MiOCC, Aztec, NM