Caller Service 4104
Farmington, New Mexico 87499

SEP 11 1986

CERTIFIED--RETURN RECEIPT REQUESTED

Southland Royalty Company P.C. Drawer 570 Tarmington, NN 87499

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 7 Medio Ganyon, NW/4NW/4 sec. 26, T. 24 N., R. 4 V., Rio Arriba County, New Mexico, Jicarilla Contract 416. The subject APD is rescinded and returned due to drilling not being commenced within one year of the approval date.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 Ron Fellows

Enclosure

cc: NMOCD

SEP 12 1986.
OIL CON. DIV.1
DIST. 3

