P.O. Box 959 Farkington, New Mexico 0:401

March 11, 1931

OIL CON. COM.

Dugan Production Corporation P.O. Box 208 Farmington, NM 87401

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well no. 1 John Adams, NELNAM, sec. 12, T. 24 N., R. 9 W., San Juan County, New Mexico. The subject APD is hereby terminated and returned due to drilling operations not being commenced within one year of the approval date.

Please be advised that you are required to notify this office for the appropriate surface rehabilitation in the event that construction activities have occured on the reference drillsite.

Should you decide to drill the subject well at a later date, a subsequent APD would be processed in the same manner as your original filing.

Sincerely yours,

James F. Sims District Oil & Gas Supervisor

Enclosure

cc: ¿IRO 9-1

Well file (rescended) Chronological file

FILM

NMOCD

EGBeecher:des

SCR

Sout Letter 1 3-13.8