NM NM 04208 (WC) 3162.3-1.0 (070)

JAN. 2 1 1993

JAN2 5 1993
OIL CON. DIV

Mr. J. P. Garrett Incline Reserves, Incorporated 1603 SW 37th Street Topeka, KS 66611

Dear Mr. Garrett:

Reference is made to your Application for Permit to Drill (APD) Well No. 2 Federal 24 at 1305' FSL & 1080' FWL (SW\s\), Sec. 24, T. 28 N., R. 9 W., San Juan County, New Mexico, Federal lease NM 04208. Due to no report of drilling operations commencing prior to expiration, the subject APD has expired as of May 27, 1992, and is returned. Any expired APD may be resubmitted at any time.

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 it will be presumed that no construction occurred. Later discovery that construction activities have occurred may result in assessment of liquidated damages.

Sincerely,

Ken Townsend

Ken Townsend Chief, Branch of Drilling & Production

Enclosure

cc: New Mexico Oil Conservation Division, 1000 Rio Brazos Rd., Aztec, NM 87410

ALTEDONED LOCATION