

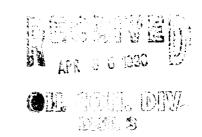


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO: SCR-179(CA) 3105(07400) April 29, 1996



Amoco Production Company P.O. Box 800 Denver, CO 80201

Gentlemen:

Amoco is approved operator of Communitization Agreement (CA) SCR-179, which covers the Dakota Formation in the W/2 Section 25, T.30N., R.9W. and includes portions of lease NMSF-078316C. By letter dated February 27, 1996, Amoco was given until April 27, 1996, to demonstrate that the well committed to this CA, the No. 3 Jacquez, located on Fee land, was capable of producing in paying quantities. You did not do so. Therefore, CA SCR-179 is terminated, effective May 1, 1996.

If you have any questions concerning this matter, please call Geneva McDougall at (505) 599-6355.

Sincerely

... Buena Spancer

Duane W. Spencer
Team Leader-Petroleum Management

cc: NMOCD, Aztec, NM

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