



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

October 12, 2010

Via U.S. Mail and Fax (806) 688-9316

Mr. Maxwell Grant
Chief Executive Officer
Chancellor Group, Inc.
P.O. Box 742
Pampa, TX 79066

**Re: Chancellor Group, Inc.
Form 10-K for Fiscal Year ended December 31, 2009
Form 10-Q for Fiscal Quarters ended March 30 and June 30, 2010
Filed March 30, 2010
File No. 000-30219**

Dear Mr. Grant:

We have completed our review of your filings and do not have any further comments at this time.

Sincerely,

Karl Hiller
Branch Chief