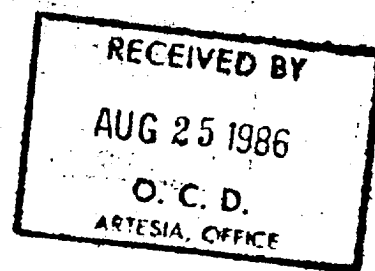


c/sf

August 20, 1986

Exxon Corporation  
P. O. Box 1600  
Midland, TX 79702



Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well Burton Flat "E" Federal No. 3, Lease No. NM-46275, 1650 FSL and 405 FWL, Section 1, T. 21 S., R. 27 E., has been cancelled.

The APD is considered expired if drilling activity has not commenced within one year after approval. Should you desire to drill this well at a later date, you will be required to re-submit the proper forms for approval.

Sincerely,

Charles S. Dahleh  
Area Manager

Post ID-2  
8-29-86  
Exp. Int.