September 15, 1988

3162.4

RECEIVED

SEP 20'88

Terra Resources, Inc. 10 Desta Drive, Suite 500 West Midland, TX 79705

O. C. D. ARTESIA, OFFICE

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well Amoco 6 Federal No. 1, Lease No. NM-05699, 2410' FNL and 2200' FRL, Sec. 6, T. 22 S., R. 24 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,

Richard L. Manus

6. 18.11/m

Area Manager

cc: RdO NMOCD (Artesia/Hobbs)

Past ID-2 9-23-88 Exp. Int.