Drawer 600 Farmington, new Mexico 87401

August 23, 1931

Grace Petroleum Corporation 3 Park Central #200 1515 Arapahoe Denver, Colorado 80202

Gentlemen:

Enclosed is your Application for Permit to Drill (APD) well No. 1 Grace Federal 13, NW4SW4, sec. 13, T. 23 N., R. 7 W., Rio Arriba County, New Mexico, lease SF 078360. The subject APD is hereby rescinded and returned due to drilling operations not being commenced within one year of the approval date.

You are required to request surface rehabilitation instructions from this office if construction activities occurred on the referenced drill site.

Sincerely yours,

lean Elliott

To James F. Sims

District Oil and Gas Supervisor

Enclosure

cc: SCR

DRO 9-1

Well file (rescinded)

BLM (Farmington)

HMOCC

Chronological

SMMason:ch

SEP 1 - 1981 OIL CON. COM. DIST. 3