P. O. Box 959 Farmington, New Mexico 87401

May 13, 1980

Denson Mineral Group, Inc. 1726 Champa Street, Suite 600 Denver, Colorado 60202

Gentlemen:

Returned herewith unapproved is your request for temporary abandonment of well No. 1 Federal 10-21-5, sec. 10, T. 21 N., R. 5 W., Sandoval County, New Mexico, lease NM 6674. A review of this lease indicates the lease will expire by its own terms on June 30, 1980 absent a well capable of production in paying quantities. Accordingly, you are hereby requested to furnish this office your plans to either establish production capability on the lease or commence plugging operations on the subject well by June 30, 1980. Please be advised no work should be commenced on this well without prior notification and approval of this office. Your sundry notice requesting cancelation of the notice of intent to plug and abandon will be held until a determination of this matter is resolved.

In the future please be advised all sundry notices on Federal and Indian wells must be filed with this office and a minimum of five copies submitted.

Sincerely yours,

James F. Sims District Oil and Gas Supervisor

cc: NMOCC V
Well file
Sims-TA
SCR
Chronological

JFSims:cap

MAY 15 1980 OIL CON. COM. DIST. 3