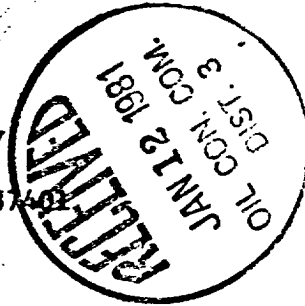


P.O. Box 959
Farmington, New Mexico 87401

January 7, 1981

Southland Royalty Company
P.O. Drawer 570
Farmington, New Mexico 87401



Gentlemen:

Reference is made to your Application for Permit to Drill well
No. 8 Cornell, sec. 14, T. 29 N., R. 12 W., San Juan County, New Mexico,
lease No. Santa Fe 076465.

The subject Application is hereby terminated and returned due to drilling
operations not being commenced within one year of the approval date.

Please be advised you are required to notify this office for the appropriate
surface rehabilitation in the event that construction activities have
occurred on the referenced drillsite.

A new Application must be submitted if you decide to drill the subject
well at a later date. Such an Application would be processed in the
same manner as your original filing.

Sincerely yours,

James F. Sims
District Oil and Gas Supervisor

Enclosure

cc: Well file (rescinded)✓
DRO 9-1
Chronological
BLM

BWamsley:cap

