STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

DATE: March 22, 1991

Attn: Russ Chabaud Bannon Energy Inc.

3934 F.M. 1960 W., Suite 240

Houston, TX 77068

RE: State 32 #5 B-32-24N-7W

The Application to Drill for the referenced well has expired.

Please send a sundry requesting an extension of time to drill or a cancellation.

If you have any questions, please call this office.

Sincerely,

Tech. I

xc: Well File