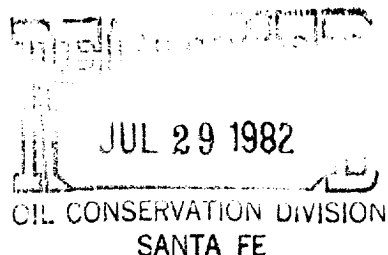


Pelto Oil Company



July 26, 1982

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Carl Ulvog

RE: Extension of Authorization for
Maintenance in Temporary
Abandonment Status
Ortiz Well #1
Santa Fe County, New Mexico

Gentlemen:

Pelto Oil Company's one year authorization to hold the captioned well in a temporary abandonment status expires on August 6, 1982. Pelto Oil respectfully requests an extension of that authorization for a second year. A copy of Form C-103 is enclosed.

Pelto maintains an active interest in the area surrounding the Ortiz #1. We have recently authorized a seismic program which will cover 32 miles in the area. Work on the project will start immediately following approval of the project by the Santa Fe County authorities. Should Pelto establish commercial production, we would likely elect to produce the Ortiz #1 as a pumping oil well.

Yours very truly,

Bernie Malson
Production Manager

BM/bt

Enclosure