

Dear Ms. Caffall:

We are canceling your Application for Permit to Drill (APD) for the Teckla MD Federal Com Well No. 11, located in Section 24, T. 6 S., R. 25 E., 660'/N & 1980'/E which was approved on January 6, 2005, along with the extension that was approved on January 4, 2006, due to receiving another application for this well.

If you have any question, please contact me at (505) 627-0237.

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig Land Law Examiner

Cc: I & E (RFO) NMOCD (Artesia)