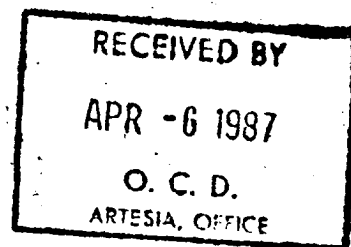


C/SF

3162.4

March 27, 1987

Siete Oil & Gas Corporation  
P. O. Box 2523  
Roswell, NM 88201



Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back, (APD) for Well Moncho Federal No. 1, Lease No. NM-53378, 660 FLM and 1980 FEL, Section 5, T. 17 S., R. 30 E., has been cancelled.

The APD is considered expired if drilling activity has not commenced within one year after approval. Should you desire to drill this well at a later date, you will be required to re-submit the proper forms for approval.

Sincerely,

Linda S.C. Rundell  
Acting Area Manager

Post ID-2  
4-17-87  
Exp. Int.