

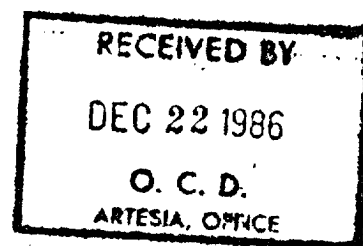
C/SF

NEW MEXICO OIL & GAS COMMISSION
P.O. Box 1710
Albuquerque, NM 87103

3162.4

December 16, 1986

Hondo Oil & Gas Company
P. O. Box 1710
Hobbs, NM 88240



Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well Federal 11 No. 2, Lease No. NM-54134, 1980 FSL and 2205 FEL, Section 11, T. 18 S., R. 28 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,

A handwritten signature in cursive script, appearing to read "Charles Dahlen".

Charles Dahlen
Area Manager

Post ID-2
12-26-86
Esp. Int.