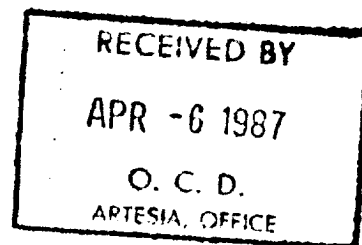


c/5r

3162.4

March 27, 1987



J. C. Williamson
P. O. Box 16
Midland, TX 79702

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD for Well Holly "A" Federal No. 7, Lease No. NM-19609, 1880 FNL and 2310 FEL, Section 26, T. 26 S., R. 29 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. I N T.