December 21, 1988

3162.4

RECEIVED

DEC 23 '88

O. C. D. ARTESIA, OFFICE

Danero Operating Company P. O. Drawer 10505 Midland, TX 79702

Gentlemen:

Your Application for Permit to Drill, Deepen, Plug Back (APD) for Well Demey Federal No. 3, 710' FNL and 2310' FWL, Lease No. NM-27979, Section 24, T. 24 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,

Saundra L. Porenta Assistant Area Manager

cc: RDO NMOCD (Artesia/Hobbs)

Pont ID-2 1-6-89 Exp. Int.