August 9, 1986

C. W. Stumhoffer Ridrlea Bank Building Suite 1007 Fort Worth, Texas 76115 Gentlemen: Your Application for Permit to Drill, Deepen, or Plug Back (APD) for well Stivason Federal No. 2, Lase No. NH-57285, 330' FSL and 1650' FEL. Section 23, T. 19 S., R. 34 F., 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.

Charles S. Dahlen Area Manager

cc: RDO NMSO / NMOCD (Artesia/Hobbs)