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December 7, 1987

Euratex Corporation 1907 Texas American Bank Bldg. Fort Worth, Texas 76102

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Wells Closson B No. 31, 660 feet FSL and 660 feet FEL, and Closson B No. 33, 1980 feet FNL and 760 feet FEL, both in Section 19, T. 22 S., R. 36 E., have 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,

Raj Giri Chief, Mineral Resources

cc: RDO

MMOCD (Artesia/Hobbs)