

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Resource Area Headquarters P. O. Box 1778 Carisbad, New Mexico 88220

August 20, 1986

Culf Oil Corporation P. O. Box 670 Hobbs, New Mexico 88240

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well Horn Toad Prospect No. 1, Lease No. NM-19620, 660 FNL and 330 FEL, Section 10, T. 23 S., R. 32 E. and Well Lea "J" Federal No. 1, Lease No. NM-19620, 2310 FSL and 330 FWL, Section 17, T. 23 S., R. 32 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 we-l at a later date, you will be required to re-submit the proper forms for approval.

Sincerely,

Charles S. Dahlen

Area Manager