Read & Stevens, Inc. P. O. Box 1518
Roswell, NM \$8202

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well Nark Federal No. 2, Lease No. 181-54432, 660' FSL and 1650' FEL, Section 3, T. 20 S., R. 34 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)