

February 21, 1990

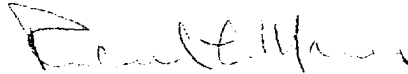
Texaco Producing Inc.
P. O. Box 728
Hobbs, NM 88240

Gentlemen:

Your Application for Permit to Drill, Deepen, or Plug Back (APD) for Well C. J. Saunders Federal No. 5, Lease No. LC-034076, Section 18, T. 19 S., R. 37 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,



Richard L. Manus
Area Manager

cc: RDO
NMOCD (Artesia/Hobbs)

RECEIVED
FEB 23 1990
OCD
HOBBS OFFICE