

May 9, 1990

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

Gentlemen:

Your Application's for Permit to Drill, Deepen or Plug Back (APD) for:

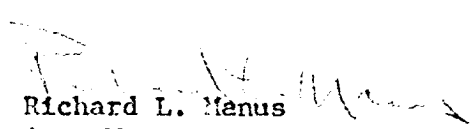
A.H. Blinebry Fed. NCT-1 No. 45, Lease No. LC-032104, Section 33,
T. 22 S., R. 38 E.

Lyers Langlie Mattix Unit No. 258, No. 260, No. 262 and No. 261,
Lease No. LC-032545-B, Sec. 29 and Sec. 31, T. 23 S., R. 37 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,


Richard L. Manus
Area Manager

cc: RDO
NMOCD (Artesia/Hobbs)