P.O. DRAWER 1857 ROSWELL, NEW MEXICO 88201

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January 25, 1983

Sundance Oil Company Suite 510 1776 Lincoln St Denver, CO 80203

> Lease No. NM-36486 Well No. 1 & 2 U.S.G.S. Sec. 31, T. 7 S., R. 32 E. Roosevelt County, New Mexico

Gentlemen:

Your Application for Permit to Drill the referenced wells were approved for a one year period. An extension to commence drilling operations was approved for 6 months ending Dec. 3, 1981. Since no operations have been commenced on the well the permit to drill is considered terminated.

If you decide to drill these wells at a future date, you should resubmit the Application for Permit to Drill.

Sincerely yours,

(ORIG. SGD.) ARMANDO A. LOPEZ

James A. Gillham District Supervisor Oil and Gas

cc: BLM-Roswell District Lease File Sub-District-Hobbs Regional File NMOCD-Hobbs RCF Jack Bryan

AALopez/1a/1-25-83