P.O. DRAWER 1857 ROSWELL, NEW MEXICO 88201

January 25, 1983

Reading & Bates Petroleum Company 1100 Mid-Continent Bldg Tulsa, OK 74103

> Lease No. NM-23304 Well No. 1-Federal 21 Sec. 21, T. 7 S., R. 34 E. Roosevelt County, New Mexico

Gentlemen:

The Application for Permit to drill the subject well was approved for a one year period. Since drilling operations were not commenced within the one year period the Permit to Drill is terminated.

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

Sincerely yours,

(ORIG. SGD.) ARMANDO A. LOPEZ

s.....

James A. Gillham District Supervisor Oil and Gas

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

AALopez/la/1-25-83