

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E.

Oil Conservation Division

January 17, 2006

Mr. Glenn Papp Synergy Operating LLC P O Box 5513 Farmington NM 87499

Dear Mr. Papp:

This letter is to inform you that the permit to drill the Dugan 29-13-22 #109 well, API # 30-045-33249, location: 830/S, 790/W, Section 22, T29N, R13W has been cancelled by the NM OCD as of 11/10/2005 pursuant to Hearing Order R-12451; Cases 13537 and 13539, dated 11/10/2005.

Thank you,

Charlie T Perrin District Supervisor

Charlie.perrin@state.nm.us