

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARREY CARRUTHERS

OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

P.O. DRAWER DD ARTESIA, NEW MEXICO 88210 (505) 748-1283

February 27, 1989

Arco Oil & Gas Company P.O. Box 1610 Midland, TX 79702

RE: Heyco State "32"
#1-N-32-17-31
Und, N. Shugart Bone Spring

Gentlemen:

One hundred eighty days have elapsed since approval of Division form C-101, Application for Permit to Drill, for the subject well. To date no progress reports, forms C-103 have been received.

Therefore, Division approval of form C-101 has now expired and no drilling operations are to be initiated or continued without further notice to and approval by the Division. Pending such approval, this will be considered an abandoned location.

Very truly yours,

Mike Williams

Supervisor, District II

MW/cw

Post ID-2 3-16-89 Exp. Int.