



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Mat 5, 2004

EOG Resources Inc
ATT: Mike Francis
P O Box 2267
Midland, TX 79702

RE: CANCELANATION OF INTENT TO DRILL

Watson 31 #1

O-31-15s-35e, 660/S & 1906/E

API # 30-025-36238

Gentlemen:

Twelve months or more have elapsed since Division Form C-101, Notice of Intent to Drill the subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drill operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports, form C-103, of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

Chris Williams
by dm

Chris Williams
District I, Supervisor

CW:dm

CC: OCD Santa Fe
OCD Hobbs
BLM
State Land Office

Vo
JUL 08 2004