State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

John H. Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



May 2, 2012

Cano Petro of New Mexico Inc ATT: Cynthia Chavez 801 Cherry Street Fort Worth, TX 76102

RE: CANCELLATION OF INTENT TO DRILL

Cato San Andres Unit #548

P-11-08s-30e, 1172/S & 10/E

API # 30-005-29128

Gentlemen:

Twenty-four 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 expired and no drilling 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 drill has been done, please file OCD form C-103 "Subsequent Reports", with dates and of the work that was done, immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

E L Gonzales, Acting District I Supervisor

Cc: OCD/ Santa Fe OCD/Hobbs

BLM

State Land Office