



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 12, 2006

Nearburg Producing Co

ATT: Sarah Jordan

3300 N A St., Bldg 2, Suite 120

Midland, TX 79705

RE: CANCELLATION OF INTENT TO DRILL

Kimo Sabe 16 State #2-B

16-19s-33e. 330/N & 1650/E

API #30-025-36900

Gentlemen:

Twelve months or more have elapsed since Division Form C-101, Notice of Intention to drill, for 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 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 drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

Chris Williams

District I, Supervisor

CW:dm

CC: OCD Santa Fe
OCD Hobbs
BLM
State Land Office

VOID
API # 30-025-36900
01/23/06

Nearburg Producing Company

Exploration and Production
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705
432/686-8235
FAX: 432/686-7806

January 12, 2006

Oil Conservation Division
1625 N. French Drive
Hobbs, NM 88240

Re: Kimo Sabe 16 State #2 - 330 FNL and 1650 FEL, Sec 16-19S-33E, Lea Co, NM
Panama 14 Federal #1 - 990 FSL and 660 FEL, Sec 14-19S-33E, Lea Co, NM
Panama 14 Federal #2 - 2310 FNL and 660 FEL, Sec 14-19S-33E, Lea Co, NM
Kudu 9 Federal #3 - 1650 FSL and 330 FEL, Sec 9-19S-33E, Lea Co, NM
Kudu 9 Federal #5 - 990 FSL and 1980 FWL, Sec 9-19S-33E, Lea Co, NM
Kudu 9 Federal #7 - 1980 FSL and 990 FWL, Sec 9-19S-33E, Lea Co, NM

To Whom It May Concern:

NPC would like to cancel the referenced Drilling Permits. We do not plan to drill these wells. Please dispose of the permit.

Please call me at the letterhead number if I can be of any further assistance.

Sincerely,


Sarah Jordan
Production Analyst

/sj

~~Attachment~~

