



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

January 24, 2000

1625 N. FRENCH DRIVE
HOBBS, NM 88240

SDX Resources Inc

P O Box 5061

Midland, TX 79704

RE: CANCELLATION OF INTENT TO DRILL

Northeast Pearl Queen Unit

#26-C-23-19s-35e API #30-025-33708

#25-D-24-19s-35e API #30-025-33707

#27-D-24-19s-35e API #30-025-33709

#29-H-22-19s-35e API #30-025-33790

#30-L-24-19s-35e API #30-025-33791

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, Forms C-103, have 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.

Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams
District I, Supervisor

CW:dp

cc: OCD Santa Fe
BLM
State Land Office
OCD Hobbs well file