



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 18, 2001

Beach Exploration Inc
ATT: Barbara Watson
800 N Marienfeld, Suite 200
Midland, TX 79701

RE: CANCELLATION OF INTENT TO DRILL

McNeill #1-K

Sec.19, T-19s, R-38e

API #30-025-34402

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.

Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams
by dm

Chris Williams
District I, Supervisor

CW:dm

CC: OCD Santa Fe
BLM
State Land Office
OCD Hobbs