



ENERGY MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 1880
HOBBS, NEW MEXICO 88241-1880
(505) 393-6161

December 22, 1997

Santa Fe Energy Resources Inc
550 W Texas, Suite 1330
Midland, TX 79701

RE: Falcon 32 State #2

Gentlemen:

The Falcon 32 State #2 was submitted twice.

1. @ Unit K, Sec.32, T-23s, R-32e, 1980/S & 1650/W on November 27, 1995
with API #30-025-33193.
2. @ Unit L, Sec.32, T-23s, R-32e, 1980/S & 660/W on December 16, 1997
with API #30-025-34237.

At this time we will cancel the first intent to drill and API # 30-025-33193.

If you have any questions on this matter, please call the Hobbs office (505) 393-6161.

Yours very truly,

OIL CONSERVATION DIVISION

Chris Williams by dp

Chris Williams
District I, Supervisor

CW:dp

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