STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

May 12, 2000

1625 N. FRENCH DRIVE HOBBS, NM 88240

Concho Resources Inc
110 W Louisiana, Suite 410
Midland, TX 79701
RE: CANCELLATION OF INTENT TO DRILL
Gazelle 16 State #1-J
<u>16-23s-34e, 1980/S & 1980/E</u>
Api #30-025-34258

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

Chris Williams

District I, Supervisor

CW:dp

CC:

OCD Santa Fe

BLM

State Land Office
OCD Hobbs well file

DOID