STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

May 10, 2000

1625 N. FRENCH DRIVE **HOBBS, NM 88240**

Arch Petroleum Inc
10 Desta Dr., Suite 420e
Midland, TX 79705
RE: CANCELLATION OF INTENT TO DRIL
Saltmount #4-0
21-23s-37e, 990/S & 2310/E
<u> API #30-025-33321</u>

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

hus Williams

Chris Williams

District I, Supervisor

CW:dp

OCD Santa Fe CC:

BLM

State Land Office OCD Hobbs well file

010 NUIL.