

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

January 27, 1997

Chevron USA Inc ATT: J K Ripley P O Box 1150 Midland TX 79702

RE: Cancellation of Intent to Drill

Gentlemen:

On January 27, 1997 a new intent to drill the Eunice Monument South Unit #650 was submitted to the Oil Conservation Division, Hobbs District I office. With this new intent to drill, we must cancel the C-101 intent to drill that was approved on September 23, 1996 located at 287/S & 1460/W Section 5, T-21s, R-36e with API #30-025-33596 as of this date. To date no progress reports, Forms C-103, have been received. Therefore, approval of your permit to drill this well is canceled and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this will be considered as an abandoned location..

The new location for #650 is 250/N & 1135/W in Section 8, T-21s, R-36e with API #30-025-33800.

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

Very truly yours,

OIL CONSERVATION DIVISION

Lerry Septon by dp

Jerry Sexton District I, Supervisor

JS:dp

cc: OCD, Santa Fe BLM, Roswell State Land Office: Santa Fe File