STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION DIST I 1625 N. FRENCH DRIVE HOBBS, NM 88240

December 28, 1999

BTA Oil Producers Att: Dorothy Houghton 104 S Pecos Midland, TX 79701

Gentlemen:

Notice of Intent to drill the Gem 8705 JV-P #9-D, 990/N & 330/W, 2-20s-33e was approved November 4, 1999. Today the Oil Conservation Division, Hobbs office has received the Intent to drill this well at Unit A, 330/N & 990/E, Sec.2, T-20s, R-33e. We must treat this as a new drill for the safety of all in the Potash area.

Therefore, approval of your permit to drill with API # 30-025-34754 and location of 990/N & 330/W, Sec. 2, T-20s, R-33e is cancelled as of December 28, 1999. No drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. This location will be considered as an abandoned location.

If you have any questions on this matter, please call Oil Conservation Division, District I (505) 393-6161 and talk to Chris Williams Ext.102 or Donna Pitzer Ext.115.

Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams District I, Supervisor

CW:dp

Cc; Santa Fe, file Hobbs, file BLM-Roswell State Land Office

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12/28/99 CT