

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

May 1, 2002

David H Arrington Oil & Gas Inc ATT: Danny Ledford P O Box 2071 Midland, TX 79702

RE: Cancel of Intents to Drill

Gentlemen:

Per the order #CV2001-315C from the 5th Judicial District Court of Lea County and the order R-11700-B from the Oil Conservation Division TMBR/Sharp Inc has the rights to drill in Sec.25, T-16s, R-35e.

The Oil Conservation Division is canceling your intents to drill the two wells listed below: Triple-Hackle Dragon 25 #1-E, 25-16s-35e, API #30-025-35636 Glass-Eye Midge 25 #2-A, 25-16s-35e, API # 30-025-35787

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

Yours truly,

OIL CONSERVATION DIVISION

illion Chris Williams District I, Supervisor

CW:dm

CC: OCD Hobbs OCD Santa Fe Bureau of Land Management State Land Office