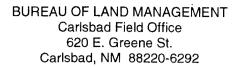
## United States Department of the Interior





IN REPLY REFER TO: NM9402

3162.4 (P0220)

August 23, 2012

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

30-015-36388

Not drilled

## Gentlemen:

Your Applications for Permit to Drill (APDs) the referenced wells have expired because drilling has not commenced within two years as per Onshore Order #1.

NM9402 Cottonwood KI Fed Com 3H, 1880'/S. & 265'/E., sec.18, T. 16S., R. 25E.

APD EXT. Approved on September 2, 2010, APD expired on July 11, 2012

If a well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced on a well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM, so we may correct our records.

Sincerely,

Don Peterson

Assistant Field Manager

O. Whitlock of

Lands & Minerals

bcc: P0221, I&E CFO NMOCD Artesia

RECEIVED
AUG 2 7 2012
NMOCD ARTESIA