United States Department of the Interior



In Reply Refer to 3162.4 (P0220)

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.nm.blm.gov



DEC 1 2 2016

NM OIL CONSERVATION

ARTESIA DISTRICT

DEC 2 2 2016

RECEIVED

LRE Operating LLC 1111 Bagby St., Ste 4600 Houston, TX 77002

Gentlemen:

Your Application for Permit to Drill (APD) for the well listed below has expired because drilling has not commenced per Onshore Order #1:

LEASE WELL NAME AND LOCATION

EXPIRATION

NM97122

Chalk Federal – 8

15-42874

December 9, 2016

2300' FNL & 1650' FWL, sec. 5, T. 18 S., R. 27 E.

If the 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 send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM so we may correct our records.

If you wish to drill this wells at a later date, please submit a complete application (1 original and 3 copies) to this office. Since the original APD has expired, the resubmitted APD will be subject to all processing requirements including the \$6,500 application fee and the 30-day posting period. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing.

If you have any questions, please contact Jim Amos at (575) 234-5909.

Sincerely,

/s/ JD Whitlock Jr

Cody Layton

Assistant Field Manager, Lands & Minerals

cc: NMOCD