

In Reply Refer to

3162.4 (P0220)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT CONSERVATIO

Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.nm.blm.gov ARTESIA DISTRICT DEC **02** 2016



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

Vanguard)

Gentlemen:

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

| <u>LEASE</u> | WELL NAME AND LOCATION | EXPIRATION |
|--------------|---|-------------------|
| NMNM048344 | Kersey Williams A Federal - 11 /5 - 42836 1650' FNL & 2265' FEL, sec. 28, T. 17 S., R. 28 E. Kersey Williams A Federal - 12 | November 20, 2016 |
| NMNM048344 | Kersey Williams A Federal – 12 /5- 42837 2310' FNL & 1525' FEL, sec. 28, T. 17 S., R. 28 E. | November 20, 2016 |
| NMNM048344 | Kersey Williams A Federal – 13 2000' FNL & 965' FEL 15- 42838 | November 20, 2016 |
| NMNM048344 | Kersey Williams A Federal – 15 15-42839 2180' FNL & 330' FEL | November 20, 2016 |

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