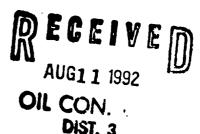
AUG. 1 O 1992



Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Gentlemen:

References are made to your Applications for Permits to Drill (APDs) the following wells:

- 1. No. 2 Kimbeto RG Federal, NENNEN Sec. 25, T. 23 N., R. 10 W., Lease NM NM-13956, San Juan County, New Mexico. Expired: July 16, 1992.
- 2. No. 3 Kimbeto RG Federal, NE' NE' Sec. 14, T. 23 N., R. 10 W., Lease NM NM 13956, San Juan County, New Mexico. Expired: July 16, 1992.
- 3. No. 1 Wapiti AHO Federal, $NE_{4}^{1}NE_{4}^{1}$ Sec. 35, T. 24 N., R. 11 W., Lease NM NM 80499, San Juan County, New Mexico. Expired: July 18, 1992.

As we have received no report of drilling operations commencing prior to expiration, the subject APDs have expired and are returned. Please note that it is the policy of this office to grant extensions of APDs up to a total of one year from the original expiration date. Any expired APD may be resubmitted at any time when more definite drilling plans are formulated.

You are required to request surface rehabilitation instructions from this office if construction activities occurred on the referenced drill sites. If this office does not receive comment within 30 days, we will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, may result in assessment of liquidated damages.

Sincerely,

John L. Keller

Chief, Branch of Mineral Resources

3 Enclosures

cc: NMOCD, Aztec, NM

ABANDON LOCATION

Casing S Csg.Perf.	@w	Sx. In	·	w	Sx. Pr Prod. Stim	@		~	Sx. T.		@	₹ Gas
I.P	BO/D MCF/D After	Hrs. SICI	P	SI After	Grav Days GOR							Ñ S
TOPS		NITD	X	Well Log		TEST DAT						
Ojo Alamo		C-103		Plat	Х	Schd.	PC	Q	PW	PD	D	Ref.No.
Kirtland		C-104		Electric Lo								T
Fruitland				C-122								
Pictured Cliffs		Ditr		Dfa								1
Chacra		Datr		Doc						1		1
Cliff House												
Menefee			*						<u> </u>	1		1
Point Lookout												1
Mancos												1
Gallup		1										
Greenhorn												1
Dakota		1								1		1
Entrado		7							1			
					Acres E/80				İ		İ	
P O S. Bisti	Gal Co . SJ S	14 † 23	N R 10W			eum Co:	rp. Ls	. Kiml	oeto R	G Fede	ral no	. 3

Kimbeto RG Federal #3 A-14-23N-10W

YATES PETROLEUM CORP.