

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



December 12, 2013

Yates Petroleum Corp
Att: Lori Flores
105 South 4 Street
Artesia, NM 88210

RE: CANCELLATION OF INTENT TO DRILL

Lotus ALT State #11

O-32, T-22s, R-32e, 330/S & 1980/W

API # 30-025-39979

Gentlemen:

Two years or more have elapsed since Division form C-101; Intent to Drill for the subject well was approved. To date no progress reports have been received. Therefore, approval of your permit to drill this well has expired and no operations are to be initiated without further notice to and approval by the Oil Conservation Division

If the work to drill this well has been done, please file subsequent reports (Form C-103) of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Paul Kautz".

Paul Kautz, District I Geologist, Hobbs OCD

CC: OCD Santa Fe
OCD Hobbs
BLM
State Land Office

DEC 12 2013

Handwritten initials, possibly "JMB", in the bottom right corner.