



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

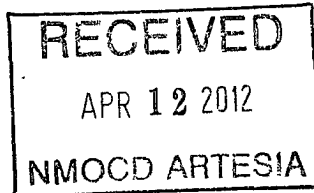
Pecos District
Carlsbad Field Office

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



IN REPLY REFER TO:
NM-117806
3162.4 (P0220)

Tarco Energy LC
Attn: Joe L. Tarver
12403 CR 2300
Lubbock, TX 79423



APR 09 2012

15-37740

Dear Mr. Tarver:

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.

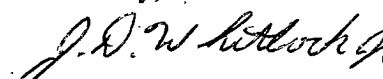
NM-117806 Magruder 12, 0986'/S. & 0350'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 13, 1687'/S. & 0330'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 14, 2308'/S. & 0330'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 15, 0289'/S. & 0921'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 16, 0965'/S. & 0970'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 18, 2308'/S. & 1034'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 20, 2319'/S. & 1652'/E., sec.35, T. 17 S., R. 27 E.
NM-117806 Magruder 22, 2275'/S. & 2244'/E., sec.35, T. 17 S., R. 27 E.

All above APDs were approved on March 26, 2010 and expired on March 25, 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.

If you wish to drill these wells at a later date, please submit a complete application (1 original and 3 copies for each well) to this office. Since the original APDs have expired, the resubmitted APDs will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APDs that they were previously approved and we will review the expired files for information which will help expedite the processing. If you have any questions please contact Betty Hill at (575) 234-5937.

Sincerely,


For Don Peterson
AFM, Lands & Minerals

bcc:

P0221, I&E CFO
NMOCD Artesia