United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. Carlsbad, NM 88220-6292



IN REPLY REFER TO: NMNM19418 3162.4 (P0220)

August 23, 2012

Fasken Oil and Ranch, Ltd. 303 West Wall St., Suite 1800 Midland, TX 79701

30-015-36463

Not drilled

Gentlemen:

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.

NMNM19418 Knight "28" Federal No. 2, 860'/S. & 660'/E., sec.28, T.20S., R.25E.

APD EXT. approved on September 30, 2012, APD expired on July 28, 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.

Sincerely,

For Don Peterson

Assistant Field Manager

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Lands & Minerals

bcc: P0221, I&E CFO NMOCD Artesia

RECEIVED

AUG 27 2012

NMOCD ARTESIA