

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

AUG 13 2007 OCD-ARTESIA

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88202

In Reply Refer To: 3162.4 (513) NM-90862

AUG 1 0 2007

Yates Petroleum Corporation Attn: Debbie Caffall 105 S 4th Street Artesia, NM 88210 30 005 63570

Dear Ms. Caffall:

The Bureau of Land Management is canceling your Application for Permit to Drill (APD) for the Needle BCI Federal No. 1, located in Section 13, T. 6 S., R. 26 E., 660' FSL & 1980' FEL approved on September 7, 2005, along with the extension approved on August 16, 2006, due to receiving another application.

If you have any question, please contact Alexis C. Swoboda, Petroleum Engineer, at (505) 627-0228.

Sincerely,

/S/ Angel Mayes

Angel Mayes Assistant Field Manager Lands and Minerals

cc:

I & E (RFO) NMOCD (Artesia)