



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

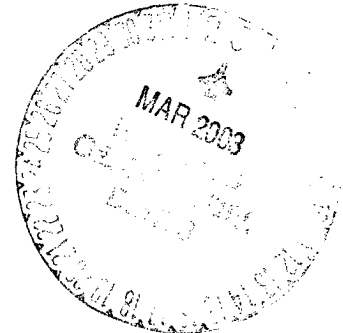
ABANDON LOCATIONS

IN REPLY REFER TO:

NMNM-077284 et al. (WC)
3162.3-4 (7100)

February 28, 2003

Mr. Phillip Gennarelli
Vulcan Minerals & Energy, Inc.
% Regent Energy Corp.
10777 Westheimer, Suite 1100
Houston, TX 77042



Dear Mr. Gennarelli:

Reference is made to your Applications for Permit to Drill (APD) for the following wells located in the Northeast Hogback Unit, T. 30 N., R. 16 W., San Juan County, New Mexico:

- 1) No. 61, 2675' FNL & 1370' FEL, sec. 10, Lease NMNM-04444. -30-045-30362
- 2) No. 65, 170' FNL & 1255' FEL sec. 10, Lease NMNM-077281. -30-045-30384
- 3) No. 68, 2630' FNL & 2310' FEL sec. 10, Lease NMNM-077281. -30-045-30363
- 4) No. 59, 1600' FSL & 200' FWL sec. 11, Lease NMNM-077282. -30-045-30360
- 5) No. 66, 1330' FSL & 1310' FWL sec. 11, Lease NMNM-077282. -30-045-30395
- 6) No. 71, 1310' FSL & 2310' FWL sec. 11, Lease NMNM-077283. -30-045-30386
- 7) No. 70, 1500' FNL & 2300' FEL sec. 14, Lease NMNM-04444. -30-045-30364
- 8) No. 72, 1145' FNL & 1475' FWL sec. 14, Lease NMNM-04407. -30-045-30365

The above enclosed APDs are hereby rescinded due to not being drilled within the one year approval date and/or approved extensions.

You are also 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 20 days, it will presume that no construction occurred and proceed accordingly. Later discovery that construction activities have in fact occurred, will result in an assessment.

Sincerely,

Original Signed: Stephen Mason

Stephen Mason
Petroleum Engineer; Petroleum Management Team

Enclosure
cc:
NMOCD