



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
NMSF 078863
3162.3-1 (211)

February 9, 2006

M&G Drilling Company Inc.
c/o Mike Pippin LLC
Attn.: Mike Pippin
3104 North Sullivan
Farmington, NM 87401

Dear Mr. Pippin:

30-045-32494

Reference is made to your Application for Permit to Drill (APD) the No. **103 Krause 33** well, located **1980' FNL and 665' FEL, Section 33, T28N, R11W, San Juan County, New Mexico**. This APD was approved on November 3, 2004 with an expiration date of November 3, 2005. According to our records, no known activity has taken place at this location. In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Adrienne Brumley at (505) 599-6358

Sincerely,

/s/ Adrienne Brumley

Adrienne Brumley
Petroleum Engineer,
Petroleum Management Team

cc: NMOCD

