

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: NMNM 03189 3162.3-1 (211)

July 18, 2006

Williams Production Company Attn.: Larry Higgins PO Box 640 Aztec, NM 87410

Dear Mr. Higgins:

Reference is made to the following Application for Permit to Drill (APD):

Cox Canyon #9B, located 860' FNL and 2130' FEL, Section 20, T32N, R11W, San Juan County, New Mexico on federal lease No. NMNM 03189, API No. 30-045-31239

This APD was approved on December 16, 2002 with an expiration date of December 16, 2005. This APD has been extended twice, with no action taken. Since this APD is nearly three years old, the cultural and environmental conditions will have to be reevaluated, therefore, a new APD will be required if this well is intended to be drilled in the future. We have already received your resubmission of this APD and are currently processing it. A new API number will be assigned to the resubmitted APD by the NMOCD.

In view of the foregoing, this office is rescinding the approval due to the expiration of this APD.

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

Enclosures

cc: NMOCD

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