

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: 3162.4 (080) LC-028446-A, LC-028990-B, NM-77063, NM-81274, NM-92742, NM-97851

MAR 2 6 2004

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Gentlemen:

Your Applications for Permit to Drill (APDs), for the following wells have expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

LC-028446-A Orient Express ARS Fed. Com. 760'/S & 1880'/E Sec. 5, T.17S, R.28E APD approved 6/4/02, extension expires 6/14/04, resubmitted 1/22/04 at 910'/N & 660'/E

LC-028990-B Creek AL Federal #16 990'/S & 1780'/E Sec. 24, T.18S, R.30E APD approved 2/5/02, extension expired 2/5/04, APD resubmitted 1/8/04

LC-028990-B Creek AL Federal #17 660'/S & 480'/E Sec. 24, T.18S, R.30E APD approved 2/5/02, extension expired 2/5/04, APD resubmitted 1/8/04

NM-77063 Continental APJ Federal #7

APD approved 1/16/03

660'/S & 660'/W Sec. 28, T.23S, R.32E

30-025-36(12)

NM-81274 Thyme APY Federal #10 2310'/N & 990'/W Sec. 1, T.23S, R.32E APD approved 2/27/03 30 - 025 - 33674

NM-92742 Zingaro ANG Federal #3 990'/N & 890'/E Sec. 1, T.22S, R.23E

APD approved 1/23/02, extension expired 1/23/04

NM-97851 Patterson AQL Federal #1 460'/N & 660'/E Sec. 4, T.23S, R.23E

APD approved 3/4/02, extension expired 3/4/04

If drilling operations have commenced on the referenced wells, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies for each well) to the Roswell Field Office, 2909 West Second Street, Roswell, New Mexico 88202, so we may correct our records.

If the wells have not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill these wells at a later date, please submit a complete application (1 original and 5 copies for each well) to the Roswell Field Office. Since the original APDs have expired, the resubmitted APDs will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APDs that they were previously approved and we will review the expired files for information which will help expedite the processing. If you have any questions please contact Joe Lara at (505) 234-5915 or Betty Hill at (505) 234-5937.

Sincerely,

/s/ Joe G. Lara

Joe G. Lara Assistant Field Manager Lands & Minerals

bcc: BLM-I&E (CFO/Hobbs) NMOCD (Artesia/Hobbs) NM (062, L Askwig)