



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



December 14, 2009

Yates Petroleum Corp
ATT: Clifton May
105 South 4th Street
Artesia, NM 88210

DEC 21 2009

RE: CANCELLATION OF INTENT TO DRILL

ATTACHED LIST OF Wells & API #S

Gentlemen:

Twelve months or more have elapsed since Division Form C-101, Notice of Intention to drill, for the subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION



Larry Mill
District I Supervisor

Cancel API#s
See Attachment

CC: OCD Santa Fe
OCD Hobbs
BLM
State Land Office



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RE: LIST OF INTENTS TO DRILL & API #s

Big Hat BKK State #4-M, 11-16s-33e, API #30-025-38775 ✓

Big Hat State Unit #6-P, 10-16s-33e, API # 30-025-37707 ✓

Big Hat State Unit #8-L, 10-16s-33e, API #30-025-37739 ✓

Merle State Unit #4-N, 23-10s-34e, API #30-025-38630 ✓

RE: LIST OF WELLS TO RE-ENTRY & API #

Mangas BDM State #1-P, 28-8s-32e, API #30-005-21136