

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88202

In Reply Refer To: 3162.4 (513) NM-20932

MAR 0 2 2006

Yates Petroleum Corporation Attn: Debbie Caffall 105 S. 4th Street Artesia, NM 88210

Dear Ms. Caffall:

30-005-63653

We are canceling your Application for Permit to Drill (APD) for the Stewart Federal Well No. 5 located in Section 12, T. 8 S., R. 24 E., 660'/N & 1500'/W which was approved on April 13, 2004, along with the extension that was approved on May 19, 2005, due to receiving another application for this well.

If you have any question, please contact me at (505) 627-0237.

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig Legal Instruments Examiner

Cc: I & E (RFO) NMOCD (Artesia)

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