

United States Department of the Interior

UREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. Carlsbad, NM 88220-6292



In Reply Refer To: NM105854 3162.4 (52200)

APR 1 8 2011

30-015-35644

Yates Petroleum Corporation 105 South 4th Street Artesia, NM 88210

NMOCD ARTESIA

Gentlemen:

The below referenced Application for Permit to Drill (APDs) has expired because drilling has not commenced within two years of the approval date and/or extension, as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

NM105854 NM105854

Apeman BKA Federal Boogieman BKB Federal Com 660'/N & 1880'/W 815'/S & 1160'/E

If drilling operations have commenced on the referenced well, please contact this office at (575) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to this Office, so we may correct our records.

If the well has 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 this well at a later date, please submit a complete application (1 original and 3 copies) to this Office. Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing. If you have any questions please contact Jim Amos at (575) 234-5909.

Sincerely

Don Peterson

Assistant Field Manager Lands and Minerals

cc: BLM I&E (CFO) NMOCD (Artesia)

Accepted for record

Field Supervisor