United States Department of the Interior BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220 Tel. (505) 234-5972 Fax (505) 885-9264

in reply refer to: 3162.4 (080) LC-0289446-A

JUN 1 4 2002



Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Gentlemen:

This letter is confirmation of the cancellation of the approved APD for the Orient Express "ARS" Fed. Com. #1, dated May 25, 2000, located 760'/S & 1880'/E, Section 5, T.17S., R. 28E., Eddy County, New Mexico. This was due to the resubmission of an APD on May 14, 2002, for this well at the same location..

Sincerely,

/s/ Mary J. Rugweli

Mary Jo Rugwell Assistant Field Manager Lands & Minerals

bcc.: BLMI&E (Carlsbad) NMOCD (Artesia) NM (062, L. Askwig)