

in reply refer to: 3162.3-1 (067) NM-0546732-A

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Resource Area Headquarters 620 E Greene Street P. O. Box 1778 Carlsbad, New Mexico 88220-6292

014F

JUL 0 8 1998

Phillips Petroleum Company 4001 Penbrook St. Odessa, Texas 79762

Gentlemen:

Your Application for Permit to Drill (APD), approved July 29, 1993, along with your extension approved July 25, 1994 for the Christopher 31 Federal Well No. 3 located 660 feet FSL and 330 feet FEL, Section 31, T. 23 S., R. 31 E., Eddy County, New Mexico, Lease No. NM-0546732-A, has 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.

If drilling operations have commenced on the referenced well, please contact this office at (505) 887-6544 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) 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 (l original and 5 copies). 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.

Sincerely,

/s/ Gary Bowers

Gary Bowers, Manager Carlsbad Field Office

Post ID-2 7-17-98 EXP

cc: BLM-Roswell District-Office I & E-(Carlsbad/Hobbs) NMOCD (Artesta/Hobbs)