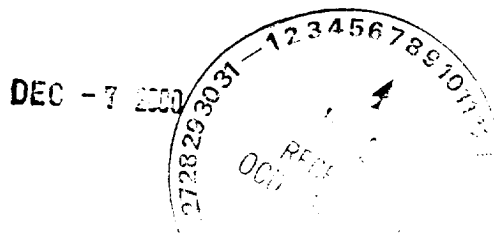




United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene St.
P. O. Box 1778
Carlsbad, New Mexico 88221-1778

IN REPLY REFER TO:
3162.4
NM-58023, NM-012121,
NM-18848, LC-069052



Texaco Exploration &
Production Inc.
P O Box 3109
Midland, TX 79702

Dear Operator:

Your Application for Permit to Drill (APD), for the following wells 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.

38-015-27878 C

NM-58023 ✓ 4-EE '24' Fed. 660'/N & 1650'/E Sec. 24-T19S-R24E approved
2/25/94 and extension approved 2/25/98

• 30-015-29172

NM-012121 ✓ 78-Cotton Draw Unit 660'/S & 2310'/E ✓ Sec. 26-T24S-R31E approved
9/17/96 and extension approved 9/8/98

30-015-29285

NM-012121 ✓ 79-Cotton Draw Unit 1980'/S & 1980'/W Sec. 26-T24S-R31E approved
11/26/96 and extension approved 1/12/98

NM-18848 6-SDE '31' Fed 1980'/N & 1980'/E Sec. 31-T23S-R32E approved
2/28/95 and extension ending 2/28/99

NM-18848 7-SDE '31' Fed 1980'/S & 660'/W Sec. 31-T23S-R32E approved
2/28/95 and extension ending 2/28/99

LC-069052 162-West Dollarhide Drinkard Unit 1600'/N & 325'/E Sec. 31-T24S-R38E
approved 6/2/97 and extension approved 8/25/98

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) to the Roswell Field Office, 2909 West Second Street, Roswell, New Mexico 88202, so we may correct our records.