



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

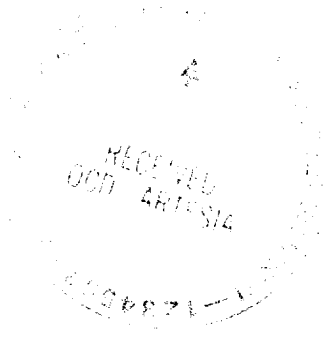
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88202

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IN REPLY REFER TO
3162.4
NM-036379

JAN 19 1999

Texaco Exploration & Production Inc.
Attn: Chester Kaup
P.O. Box 3109
Midland, TX 79702



Dear M r. Kaup:

Your Application for Permit to Drill (APD), approved October 15, 1996, along with your extension which was approved October 27, 1997, for the Cotton Draw Unit 77, located J:1650S & 2310E, Section 35, T24S, R31E, Eddy County, New Mexico, Lease No. NM-036379 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) 627-0272 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 (1 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,

(ORIG. SGD.) ARMANDO A. LOPEZ

Armando A. Lopez
Acting Assistant Field Office Manager,
Lands and Minerals

Post ID-2
1-29-99
EXP INT

cc: BLM-I&E (CFO)
NMOCD (Artesia)
CFO (L. Denniston)