

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

IN REPLY REFER TO: NMSF 078040 3162.3-1 (211)

July 18, 2005

BP America Production Company 30-045-3161

Attn.: Mary Corley PO Box 3092

Houston, TX 77253

Dear Ms. Corley:

Reference is made to your Application for Permit to Drill (APD) the No. 1M Mudge Gas Com D well, located 2485' FSL and 1695' FEL, Section 12, T31N, R11W San Juan County, New Mexico. This APD was approved on May 22, 2003 with an expiration date of May 22, 2004. According to our records, no known activity has taken place at this location. In view of the foregoing, this office is rescinding the approval due to the expiration of this APD. In addition, we will require a letter confirming that no surface disturbing activities have been conducted at this well site. Any surface disturbance conducted must be rehabilitated in accordance with the standards and guidelines established by this office.

If you have any questions regarding the above contact Adrienne Brumley at (505) 599-6358

Sincerely,

/s/ Adrienne Brumley

Adrienne Brumley Petroleum Engineer, Petroleum Management Team

cc:

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