Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



August 25, 2008

Elm Ridge Exploration Co PO Box 156 Bloomfield NM 87413

Re: New Mexico State #4 Sec 32-T24N-R08W San Juan Co., NM 30-045-34392

Gentlemen:

Please be advised that your permit to drill the referenced well has expired and has been cancelled. If drilling operations have commenced, you should contact this office immediately.

If you wish to drill this well in the future, it will be necessary to submit a new Form C101, Application to Drill, and drilling package for review and approval.

Sincerely,

Karen Sharp

Compliance Officer, District III

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Well File