



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220-6292

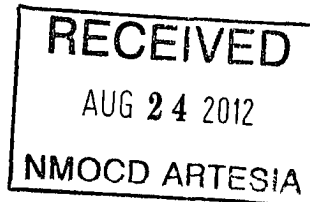


IN REPLY REFER TO:

NM- 17098

NM- 104619

3162.4 (P0220)



August 23, 2012

Yates Petroleum
105 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

Your Applications for Permit to Drill (APDs) the referenced wells have expired because drilling has not commenced within two years as per Onshore Order #1.

NM- 17098 Foxie BIE Federal Com 1, 1440'/S. & 1480'/W., sec.18, T. 20S., R. 30-015-36288 28E.

APD EXT. Approved on July 30, 2010, APD expired on April 11, 2012

NM- 104619 Discoman BJS Federal 1H, 1970'/S. & 456'/W., sec.20, T.19S., R. 21E.

30-015-36207

APD EXT. Approved on April 21, 2010, APD expired on March 7, 2012

If a well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced on a well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM, so we may correct our records.

Sincerely,

Don Peterson
Assistant Field Manager
Lands & Minerals

bcc:
P0221, I&E CFO
NMOCD Artesia