

**United States Department of the Interior****BUREAU OF LAND MANAGEMENT**

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201

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OCD-ARTESIA

IN REPLY REFER TO:
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30-005-43695

Yates Petroleum Corp.
105 South Fourth Street
Artesia, NM 88210

Gentlemen:

On August 9, 2005, the U. S. Fish and Wildlife Service (the Service) published a final rule in the Federal Register listing three snails and an amphipod as endangered species. These four species are the Roswell springsnail, Koster's springsnail, Noel's amphipod, and the Pecos assiniinea. All four species inhabit the springs west of the Pecos River within the Bitter Lake National Wildlife Refuge and the final rule lists oil and gas extraction activities within the supporting aquifer as one of the factors imperiling the continued existence of these species.

The final rule constitutes new information and changes to the current management situation. Therefore, the Bureau of Land Management, under the provisions of Section 7 of the Endangered Species Act, must consult with the Service regarding any actions authorized by BLM that might jeopardize the continued existence of these species. Accordingly, BLM has taken the steps necessary to initiate formal consultation with the Service.

The source of the water feeding the springs inhabited by these species has been mapped and is known in BLM planning documents as the Habitat Protection Zone. BLM will be consulting with the Service regarding the size of the Habitat Protection Zone and the management prescriptions to be applied to BLM-authorized activities within that zone. Until such time as consultation has been completed, BLM is suspending all approved applications for permit to drill (APDs) within the Habitat Protection Zone. This action would only involve those APD's where drilling activity had not begun prior to the listing of the species.

Therefore, your applications for permit to drill the Karen Federal Com #2 and the Karen Federal Com #4 are hereby suspended. You will have one year from the date the suspension is lifted to either drill the wells or request a one year extension to drill.

BLM anticipates consultation will take a minimum of six to seven months to complete. Once consultation is complete, the suspension of these APDs will be lifted and the conditions of approval accompanying each APD may or may not change based on the recommendations and opinion of the US Fish and Wildlife Service.

If you have questions regarding the consultation process or the status of your APDs, please contact me or Larry Bray of this office.

Sincerely,

Eddie Batson

Eddie Batson
Field Manager