

**Bratcher, Mike, EMNRD**

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**From:** Bratcher, Mike, EMNRD  
**Sent:** Tuesday, April 28, 2009 1:11 PM  
**To:** 'Scott Pitts'  
**Cc:** Tim Bussell; Mike Larkin  
**Subject:** RE: Federal F R #4

Scott,

Your request for an extension to close the drilling pit at the Yates Petroleum Federal FR 004 (API:30-015-36536) (OCD Pit Number: 0208425) 21-16s-30e is approved for 3 months from date of this correspondence. The current pit rule, 19.15.17.13.A(6) [NMAC] states "An operator shall close any other permitted pit within six months from the date that the operator releases the drilling or workover rig. The appropriate division district office may grant an extension not to exceed three months."

Sincerely,

Mike Bratcher  
NMOCD District 2

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**From:** Scott Pitts [mailto:ScottP@yatespetroleum.com]  
**Sent:** Tuesday, April 28, 2009 10:12 AM  
**To:** Bratcher, Mike, EMNRD  
**Cc:** Tim Bussell; Mike Larkin; Scott Pitts  
**Subject:** Federal F R #4

Mr. Bratcher.

The reserve pit in question is the Federal F.R. #4 Legals: Sec. 21- T16S- R30 E- Eddy co . 2260' FSL- 850' FEL . Rig release date was 10-26-08 close by 4-26-09.

Due to the difficult economic times in our State and Country. Yates Petroleum is being very careful with our cash flow. As you know it is very expensive to close a reserve pit, and if any problems are encountered it can become Extremely expensive. We have been diligent in trying to get all these pits closed. At this time I have 5 closures going, therefore I would like to request an extension on the above mentioned Reserve Pit . If possible I would like to extend this closure for 6 months.

Thank you  
Scott Pitts  
Construction Supervisor  
Yates Petroleum Corp.

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