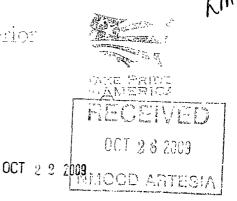


United States Department of the Interior

BUREAU OF LAND MANAGEMENT Pecos Disurci Carlsbad Field Office 620 E. Greene

Carlsbad, New Mexico 88220-6292 www.blm.gov/nm/st/en.html



In Reply Refer To NM 88136 3162.4 (P0220)

Your Reference:

30-015-35057

NM 88136 Corral Draw AQH Federal #6 2310'/S & 2310'/W sec. 13, T. 24 S., R. 29 E.

APD approved on 07/28/06, last approved extension expired on 07/28/09.

NM 1372 Warren ANW Federal #5

1980'/S & 660'/E sec. 09, T. 19 S., R. 25 E.

APD approved on 09/15/06, last approved extension expired on 09/15/09.

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Gentlemen:

Your Applications for Permit to Drill (APDs), the above referenced wells have expired because drilling has not commenced within one year of the last approved extension date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

If drilling operations have commenced on the referenced wells, please contact Jim Amos of this office at (575) 234-5909 and send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies for each well) to us, so we may correct our records.

If the wells have not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill these wells at a later date, please submit a complete application (1 original and 3 copies for each well) to this office. Since the original APDs have expired, the resubmitted APDs will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APDs that they were previously approved and we will review the expired files for information which will help expedite the processing. If you have any questions please contact Betty Hill at (575) 234-5937.

> Sincerely, JD Whitlock Jr FOR Don Peterson Assistant Field Manager, Lands, & Minerals

bcc: P0220, I&E CFO NMOCD Artesia