

OCD-ARTESIA

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov

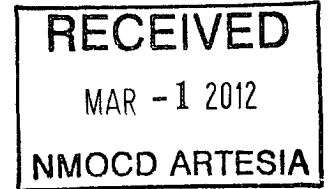


In Reply Refer to
3162.4 (P0220)

February 27, 2012

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

30-015-24982



Gentlemen:

Your Application for Permit to Drill (APD) for the referenced well has expired because drilling has not commenced per Onshore Order #1:

LEASE	WELL NAME AND NUMBER	LOCATION	APD EXPIRATION DATE	(IF APPLICABLE) EXTENSION EXPIRATION DATE
NM78213	WALT CANYON AMA FEDERAL COM #8	214 FNL & 1561' FEL, SEC. 10 T22S R24E	6/20/2007	6/20/2009

If the 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 the well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM so we may correct our records.

If you wish to drill a well at a later date, please submit a complete application (1 original and 3 copies) to this office. Since the original APD has expired, the resubmitted APD will be subject to all processing requirements including the \$6,500 application fee and the 30-day posting period. Please note on the resubmitted APD 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 Duncan Whitlock at (575) 234-5926.

Sincerely,

J. D. Whitlock
Don Peterson
Assistant Field Manager, Lands & Minerals