



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-101080, NM-92742,
LC-028990-B, LC-028446-A
3162.4 (52200)

MAY 23 2006

30-015-32186

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

RECEIVED

MAY 24 2006

WU-ARTESIA

Gentlemen:

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

NM-031382 Poker Lake Unit #198 2310'S & 500'/W Sec. 34, T.24S.,
R.31E.
APD approved on 03/03/04.

NM-101080 Liberty BEL Federal#1 660'S & 660'/W Sec. 27, T.21S.,
R.24E.
APD approved on 12/13/04.

NM-92742 Zingaro ANG Federal #6 1980'S & 660'/E Sec. 01, T.22S.,
R.23E.
APD approved on 01/13/04, last APD extension expired on 1/13/06.

NM-92742 Zingaro ANG Federal #3 990'/N & 890'/E Sec. 01, T.22S.,
R.23E.
APD approved on 02/02/04, last APD extension expired on 02/02/06.

LC-028990-B Creek AL Federal #16 990'S & 1780'/E Sec. 24, T.18S.,
R.30E.
APD approved on 03/25/04, last approved APD extension expired on 03/14/06

LC-028990-B Creek AL Federal Com. #17 700'S & 860'/E Sec. 24, T.18S.,
R.30E.
APD approved on 03/25/04, last APD extension expired on 03/25/06.

LC-028446-A Orient Express ARS Fed. Com. #1 910'S & 660'E Sec. 05,
T.17S., R.28E.

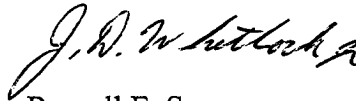
APD approved on 03/03/04, last approved APD extension expired on 03/03/06.

If drilling operations have commenced on the referenced wells, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 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 5 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 (505) 234-5937.

Sincerely,



For Russell E. Sorensen
Assistant Field Manager
Lands & Minerals

bcc:

BLM-I&E (CFO)

NMOCD (Artesia)

NM (513, L Askwig)