



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88202

In Reply Refer To:
3162.4 (513)
NM-0310633

30-005-63671

MAY 03 2006

Yates Petroleum Corporation
Attn: Debbie Caffall
105 S. 4th Street
Artesia, NM 88210

RECEIVED

MAY 04 2006

UUL-ARTESIA

Dear Ms. Caffall:

We are canceling your Application for Permit to Drill (APD) for the Haystack Federal Well No. 2, located in Section 31, T. 6 S., R. 27 E., 910'N & 660'W which was approved on June 23, 2004, along with the extension that was approved on June 14, 2005, due to receiving another application for this well.

If you have any question, please contact me at (505) 627-0237.

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig
Legal Instruments Examiner

Cc:
I & E (RFO)
NMOCD (Artesia)