

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-90874

AUG 24 2007

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

Dear Ms. Caffall:

We are canceling your Application for Permit to Drill (APD) for the Biplane Unit Well No. 2, located in Section 9, T. 6 S., R. 27 E., 660'/S & 1190'/E which was approved on September 23, 2005, along with the extension that was approved on August 30, 2006, due to receiving another application.

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

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig Land Law Examiner

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