



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-06784
3162 4 (52200)

January 28, 2008

FEB 05 2008
OCD-ARTESIA

V-F Petroleum, Inc.
P. O. Box 1889
Midland, TX 79702-1889

30015 33074

Gentlemen:

Your Application for Permit to Drill (APD), for the following well has 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-06784 Hale Fed. Com. #3 1450'S & 660'W sec. 22, T.20S., R.30E.
APD approved 11/09/05, last approved extension expired on 11/09/07

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 4 copies) to this Office, so we may correct our records

If the well has 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 this well at a later date, please submit a complete application (1 original and 4 copies) to this Office. Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing. If you have any questions please contact Betty Hill at (505) 234-5937.

Sincerely,

/s/ Don Peterson

Don Peterson
Assistant Field Manager
Fluid Minerals

bcc.
BLM I&E (CFO, HFS)
NMOCD (Artesia, Hobbs)
NM (513, L. Askwig)