



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:
NMLC028990B
3162.4 (52200)

30 015 322 07

April 15, 2008



APR 18 2008

OCD-ARTESIA

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

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.

NMLC028990B Creek AL Fed. #16 990'S & 1780'E Sec. 24, T18S, R30E
APD approved on 04/12/06, with one extension which expired on 04/12/08.

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 for the well) to us, 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 for each well) 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 and \$4,000 processing fee. 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 Cheryle Ryan at (575) 234-5949.

Sincerely,

/s/ JD Whitlock Jr

Don Peterson
Assistant Field Manager
Fluid Minerals

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

Accepted for record - NMOCD