

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: NMLC068545

July 22, 2008

30015 34947

BEPCO, L. P.

Attn: Annette Childers P. O. Box 2760 Midland, TX 79702

JUL 25 2008

Dear Annette Childers:

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.

NMLC068545 Poker Lake Unit No. 269 660'/N & 660/'W Section 7, T.24S., R.30E, APD approved on 6/05/2006 with one extension which expired on 6/05/2008.

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 5 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 5 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 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 (505) 234-5949.

Sincerely,

/s/ Don Peterson

Don Peterson. Assistant Field Manager Lands & Minerals

bcc: BLM I&E (CFS) NMOCD (Artesia)

Accepted for record - NMOCD