

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 Tel. (505) 234-5972 Fax (505) 885-9264

IN REPLY REFER TO: 3162.4 LC-067610

JAN 0 3 2002

32-015-31379

UT J 30-015-31379

Saga Petroleum LLC Attn: Mrs. Bonnie Husband 415 W. Wall, Suite 1900 Midland, TX 79701

Dear Mrs. Husband:

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.

LC-067610 W. Henshaw Premier Unit #406 APD approved 10/02/00 2450'/S & 2581'/E

Sec. 4, T. 16S., R. 30E.

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