New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



January 5, 2012

Yates Petroleum Corp ATT: Monti Sanders 105 S 4th. Street Artesia, NM 88210

RE: CANCELLATION OF INTENT TO DRILL

Boots State Unit #2

D-8-11s-35e, 660/N & 900/W

API # 30-025-39590

Gentlemen:

Twenty-four months or more have elapsed since Division Form C-101, Notice of Intent to Drill the Subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION

cc: OCD /Santa Fe

OCD/Hobbs

BLM

State Land Office

Court