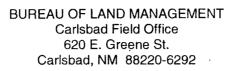
United States Department of the Interior





IN REPLY REFER TO: NMLC059002 NMLC058728 3162.4 (P0220)

HOBBS OCD

AUG 2 7 2012

August 23, 2012

RECEIVED

Conoco Phillips Company 3300 N. "A" St., Bldg. 6 Midland, TX 79705

Gentlemen:

Your Applications for Permit to Drill (APDs) the referenced wells have expired because drilling has not commenced within two years as per Onshore Order #1.

30-025-39780

NMLC059002 / NMNM70987A MCA Unit 438, 1330'/N. & 660'/W., sec.34, T.17S.. R.32E.

APD approved on June 8, 2010, APD expired on June 7, 2012

30-025-39776

NMLC058728 / NMNM70987A MCA Unit 431, 660'/N. & 1480'/W., sec.34, T.17S., R.32E.

APD approved on June 8, 2010, APD expired on June 7, 2012

If a well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced on a well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM, so we may correct our records.

Sincerely,

For Don Peterson

Assistant Field Manager

J.D. Whitlook a

Lands & Minerals

bcc: P0222, I&E HFS NMOCD Hobbs

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