



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
3162.4 (P0220)

AUG 4 - 2016

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

HOBBS OCD

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Gentlemen:

Your Application for Permit to Drill (APD) for the well listed below has expired because drilling has not commenced per Onshore Order #1:

| <u>LEASE</u> | <u>WELL NAME AND LOCATION</u> | <u>EXPIRATION</u> |
|--------------|---|-------------------|
| NM88164 | Parsley ARA Federal - 3H 200' FSL & 1980' FEL, sec. 26, T. 23 S., R. 32 E. | August 2, 2016 |
| → NM88164 | Parsley ARA Federal - 2H 200' FSL & 760' FEL, sec. 26, T. 23 S., R. 32 E. | August 2, 2016 |

If the 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 send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM so we may correct our records.

If you wish to drill this wells at a later date, please submit a complete application (1 original and 3 copies) to this office. Since the original APD has expired, the resubmitted APD will be subject to all processing requirements including the \$6,500 application fee and the 30-day posting period. 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 Jim Amos at (575) 234-5909.

Sincerely,

/s/Cody Layton

Cody Layton
Assistant Field Manager, Lands & Minerals