

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

In Reply Refer To: 3162.4 (513) NM-26069

MAY 3 0 2006

Yates Petroleum Corporation Attn: Debbie Caffall 105 S. 4th Street Artesia, NM 88210

Dear Ms. Caffall:

(7-28-06) **30**.005.63835

We are canceling your Application for Permit to Drill (APD) for the Margene AWM Federal Well No. 4, located in Section 19, T. 9 S., R. 26 E., 660'/S & 1450'/E which was approved on July 2, 2004, along with the extension that was approved on June 14, 2005, due to receiving another application for this well.

If you have any question, please contact me at (505) 627-0237.

Sincerely,

/s/ Linda A. Askwig

Linda A. Askwig Land Law Examiner

Cc: I & E (RFO) NMOCD (Artesia)