

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

Mark E. Fesmire, P.E. Director **Oil Conservation Division**

April 23, 2007

Yates Petroleum Corp ATT: Cliff May 105 S 4th. Street Artesia, NM 88210

RE:

CANCELLATION OF INTENT TO DRILL

Mescalero ARL State Com #3-N_

Sec. 2, T-10s, R-32e, 660/S & 1980/W

API # 30-025-37199

Gentlemen:

Twelve months or more have elapsed since Division Form C-101, Notice of Intention to drill, for 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,

Chris Williams by am OIL CONSERVATION DIVISION

Chris Williams District I, Supervisor

CW:dm

CC:

OCD Santa Fe

OCD Hobbs

BLM

State Land Office

VOID 311-025-37199