

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

30-005-21188

IN REPLY REFER TO 3162.4 NM-15896

Yates Drilling Company Attn: Debbie L. Caffall 105 S. 4th Street Artesia, NM 88210 FEB 05 2008

RECEIVED

Dear Ms. Caffall:

FEB - 7 2003

Your Application for Permit to Drill (APD), approved September 20, 2004, along with the extension approved September 23, 2005, for the Cactus Queen Unit Well #19, located 1270' FNL & 1650' FEL, Section 34, T.12 S., R. 31 E., Chaves County, New Mexico, Lease No. NM-15896 has expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

If drilling operations have commenced on the referenced well, please contact this office at (505) 627-0272 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) so we may correct our records.

If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 5 copies). Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. 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.

Sincerely,

(Orig. Sgd.) Jerry Dutchover

Angel Mayes
Assistant Field Manager
Lands and Minerals

cc: BLM-I&E (RFO) NMOCD (Hobbs)