

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



In Reply Refer To NM-2518 3162.4 (52200)

February 29, 2008

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JTD Resources, LLC P. O. Box 3422 Midland, TX 79702

Gentlemen:

Your Application for Permit to Drill (APD), for the following well 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.

NM-2518 Papa Joe 23 Fed. #1 990'/N & 990'/E APD approved 09/11/06, APD expired on 09/11/07 sec. 23, T. 21 S., R. 32 E. 30 - 025-38131

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 4 copies) to this Office, 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 4 copies) to this Office. 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. If you have any questions please contact Betty Hill at (505) 234-5937.

Sincerely,

/s/ Don Peterson

Don Peterson Assistant Field Manager, Minerals

bcc:

BLM I&E (CFO, HFS) NMOCD((Artesia, Hobbs) NM (513, L. Askwig)