United States Department of the Interior



BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St Carlsbad NM 88220-6292



In Reply Refer To NM-85937 3162.4 (52200)

April 24, 2008



APR 2 3 2008

BS OCD

COG Operating, LLC 550 West Texas Ave, Suite 1300 Midland, TX 79701

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.

30-025-37820

NMNM85937Prohibition 12 Federal # 11660'/S & 660'/WAPD approved on 04/10/06, with one extension which expired on 04/10/08.

Sec. 12, T22S, R32E

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 for the well) to us, so we may correct our records.

Because site construction activities have occurred, please contact this office at (575) 234-5972 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 for each well) 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 Duncan Whitlock at (575) 234-5926.

Sincerely,

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Assistant Field Manager Fluid Minerals

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