New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



November 24, 2009

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

RE: CANCELLATION OF INTENT TO DRILL

Yarrow BHY State #2-H-32-23s-33e, API # 30-025-38615

<u>Boots State Unit #2-D, 8-11s-35e, API # 30-025-38618</u>

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.

Operator has submitted new C-101 & C-102 for each of these wells and new API numbers have been assigned.

Truly yours,

OIL CONSERVATION DIVISION

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Larry Hill District I Supervisor

CC: OCD Santa Fe OCD Hobbs BLM State Land Office

Cancel API # 30-025-38618

