



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District
Carlsbad Field Office
620 E. Greene

Carlsbad, New Mexico 88220-6292
www.blm.gov/nm/st/en.html

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In Reply Refer To:
NM-94095
3162.4 (P0220)

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OCT 13 2010

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List

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Gentlemen:

Your Applications for Permit to Drill (APDs) the attached referenced wells have expired because drilling has not commenced within two years as per Onshore Order #1.

If a well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced on a well send all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM, so we may correct our records.

If you wish to drill these wells at a later date, please submit a complete application (1 original and 3 copies for each well) to this office. Since the original APDs have expired, the resubmitted APDs will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APDs that they were previously approved and we will review the expired files for information which will help expedite the processing. If you have any questions please contact Betty Hill at (575) 234-5937.

Sincerely,

/s/ JD Whitlock Jr

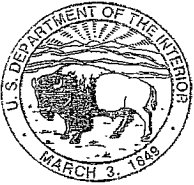
FOR

Don Peterson
Assistant Field Manager
Lands & Minerals

1 Attachment

bcc:
NMP0222, I&E HFS
NMOCD, Hobbs

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In Reply Refer To:
NMNM 94095

July 24, 2009

Memo to File:

Reference IBLA 2006-288, Intrepid Potash vs BLM and Yates Petroleum Corporation

9/28/2007 - IBLA granted Stay on drilling of Caper wells (listed below)
9/29/2008 - IBLA ended Stay

On advice of counsel, the two year limit was tolled during the period September 28, 2007 through September 29, 2008. Therefore, the following Applications for Permit to Drill do not expire until August 18, 2010:

Yates Petroleum Corp., Lease No. NMNM 94095

Caper BFE Federal #7 Surface Hole: 330 FNL & 1650 FEL, Section 17, T.21S., R.32E. Bottom Hole: Same	Caper BFE Federal #12 Surface Hole: 2310 FNL & 2310 FEL, Section 17, T.21S., R.32E. Bottom Hole: Same
Caper BFE Federal #8 Surface Hole: 330 FNL & 2310 FWL, Section 17, T.21S., R.32E. Bottom Hole: Same	Caper BFE Federal #13 Surface Hole: 2310 FNL & 990 FEL, Section 17, T.21S., R.32E. Bottom Hole: Same
Caper BFE Federal #9 Surface Hole: 990 FNL & 990 FWL, Section 17, T.21S., R.32E. Bottom Hole: Same	Caper BFE Federal #14 Surface Hole: 2310 FSL & 330 FEL, Section 17, T.21S., R.32E. Bottom Hole:
Caper BFE Federal #10 Surface Hole: 2310 FNL & 990 FWL, Section 17, T.21S., R.32E. Bottom Hole: Same	Caper BFE Federal #15 Surface Hole: 1650 FSL & 990 FWL, Section 17, T.21S., R.32E. Bottom Hole: Same
Caper BFE Federal #11 Surface Hole: 2310 FNL & 2310 FWL, Section 17, T.21S., R.32E. Bottom Hole: Same	