



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
Tel. (505) 234-5972
Fax (505) 885-9264

IN REPLY REFER TO:

3162.4

NM-77063, NM-81274,

NM-045276, NM-87314

DEC 31 2001

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Dear Mr. Cowan:

Your Applications for Permit to Drill (APDs), for the following wells have 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-77063 Continental APJ Federal #2 1980'S & 2310'/W Sec. 28, T. 23S-R. 32E
APD approved on 09/07/95, last approved extension expired on 09/07/01

NM-81274 Thyme APY Federal #5 600'S & 1650'E Sec. 1, T. 23S-R. 32E
APD approved on 09/11/96, last approved extension expired on 09/11/01

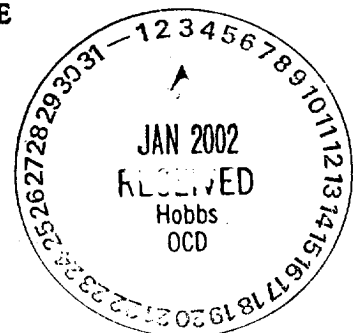
NM-81274 Thyme APY Federal #4 330'S & 2310'/W Sec. 1, T. 23S-R. 32E
APD approved on 09/11/96, last approved extension expired on 09/11/01

NM-045276 Preston Federal #25-Y 660'S & 2110'/W Sec. 34, T. 20½S-R. 23E
APD approved on 08/05/98, last approved extension expired on 08/05/01

NM-045276 Diamond AKI Federal #3 2217'S & 2013'/W Sec. 34, T. 20S-R. 24E
APD approved on 08/09/96, last approved extension expired on 08/09/01

NM-045276 Preston Federal #21 660'S & 660'E Sec. 34, T. 20S-R. 24E
APD approved on 08/19/97, last approved extension expired on 08/19/01

NM-87314 Blown Gasket AUX Fed. Com. #1 660'S & 660'/W Sec. 21-T. 18S-R. 24E
APD approved on 10/24/00



If drilling operations have commenced on the referenced wells, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies for each well) to the Roswell Field Office, 2909 West Second Street, Roswell, New Mexico 88202, so we may correct our records.

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

VOID

JAN 30 2002

If you wish to drill these wells at a later date, please submit a complete application (1 original and 5 copies for each well) to the Roswell Field 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 Joe Lara at (505) 234-5915 or Betty Hill at (505) 234-5937.

Sincerely,

/s/ Mary J. Rugwell

Mary Jo Rugwell
Assistant Field Manager
Lands & Minerals

bcc:BLM-I&E (CFO/Hobbs)
NMOCD (Artesia/Hobbs)
L Askwig (RFO)

