Washington Office 14th & Independence SW P. O. Box 96090 Washington, DC 20090-6090

File Code: 1570

97-13-00-0002-A215

Date: January 14, 1997

CERTIFIED MAIL - RRR

Yates Petroleum Corporation Attention: Chuck Moran 105 South Fourth Street Artesia, New Mexico 88210

Dear Mr. Moran:

This letter pertains to your appeal of October 10, 1996, for the offering of Oil and Natural Gas Leasing (Quad II - Bates Peak).

This is to advise you that in accordance with the 36 CFR 215 appeal procedures, we must issue an appeal decision within 45 days following the end of the appeal filing period (36 CFR 215.13(f) (3). If a formal decision is not issued, we are required by 36 CFR 215.17(b) to notify you of the disposition of your appeal, and that is the purpose of this letter. On August 30, 1996, Lands and Minerals Director H. Wayne Thornton signed the Decision Notice and Finding of No Significant Impact for this project. The legal notice was published on September 4, 1996. The appeal filing period ended on October 19, 1996. A decision by this office was due no later than December 3, 1996. Since our review of the administrative appeal record was not completed within the required time limit, Director H. Wayne Thornton's decision is the final determination of the Department of Agriculture.

Sincerely,

/s/ Janice H. McDougle

JANICE H. MCDOUGLE Appeal Deciding Officer

cc: Regional Forester, R-3