



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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October 31, 2012

Celero Energy II, LP
400 West Illinois, Suite 1601
Midland, Texas 79701

Attn: Mr. John Lodge

Re: Final Approval
North Caprock Celero Queen Unit
Chaves and Lea Counties, New Mexico

Dear Mr. Lodge:

Thank you for your letter of October 26, 2012 requesting final approval of the North Caprock Celero Queen Unit Agreement, Chaves and Lea Counties, New Mexico.

It is our understanding that all tracts are fully committed to the unit agreement at this time.

The Commissioner of Public Lands has this date granted final approval to the North Caprock Celero Queen Unit Agreement. Also approved is your initial plan of operation. Our approval is subject to like approval by the New Mexico Oil Conservation Division. This approval, effective October 31, 2012, will hold your five leases unless the New Mexico Oil Conservation Division rejects your unit agreement, in which case this approval date cannot effectively hold your leases.

Enclosed are five (5) Certificates of Approval.

Your \$240.00 filing fee has been received.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY 
Larry J. Roybal, Director

Oil, Gas and Minerals Division
(505) 827-5744

RP/LR/pm

cc: Reader File,
OCD-Attention: Mr. Ed Martin
TRD-Attn: Mr. Valdean Severson
RMD-Attn: Mr. Kurt McFall

Oil Conservation Division

Case No. 6

Exhibit No. 6

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL


COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO
CELERO ENERGY II, LP
NORTH CAPROCK CELERO QUEEN UNIT AGREEMENT
CHAVES AND LEASE COUNTIES, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Unit Agreement for the development and operation of acreage which is described within the referenced Agreement, dated October 26, 2012 which said Agreement has been executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, do hereby consent to and approve the said Agreement, however, such consent and approval being limited and restricted to such lands within the Unit Area, which are effectively committed to the Unit Agreement as of this date, and further, that leases insofar as the lands covered thereby committed to this Unit Agreement shall be and the same are hereby amended to conform with the terms of such Unit Agreement, and said leases shall remain in full force and effect in accordance with the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 31ST day of OCTOBER, 2012.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico