

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

State of New Mexico Commissioner of Public Lands 310 OLD SANTA FE TRAIL

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November 25, 2014

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€OMMISSIONER'S OFFICE

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Vernon E. Faulconer, Inc. 1001 ESE Loop 323 160 Woodgate Centre Tyler, Texas 75701

Attn:

Ms. Jean Crawley

Re:

Resignation/Designation of Successor Unit Operator

Shoebar Ranch Unit Lea County, New Mexico

Dear Ms. Jean Crawley:

We are in receipt of your resignation/designation of successor unit operator, wherein Force Energy Inc. has resigned as unit operator of the Shoebar Ranch Unit and designated Vernon E. Faulconer, Inc. as the successor unit operator.

The Commissioner of Public Lands has approved the resignation of Force Energy Inc. and the designation of Vernon E. Faulconer, Inc. as the successor unit operator of this unit.

In accordance with this approval, is now Vernon E. Faulconer, Inc. responsible for all operations and the reporting of all production from the unit effective September 1, 2004.

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

RAY POWELL, M.S., D.V.M

COMMISSIONER OF PUBLIC LANDS

TERRY WARNELL, Director Oil/Gas and Minerals Division

RP/TW/sk xc: Reader File

OCD-Santa Fe, Attn: Mr. Daniel Sanchez

TRD-Attn: Ms. Joan Ishimoto