

Aubrey Dunn
COMMISSIONER

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State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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January 20, 2017

Caza Petroleum
4 Greenspoint Place
16945 Northchase, Suite 1430
Houston, TX 77060

Attn: Mr. Richard R. Albro

Re: Voluntary Termination
Lennox State Unit Agreement
Lea County, New Mexico

Dear Mr. Albro:

We have received your letter dated December 16, 2016, requesting voluntary termination of the Lennox State Unit Agreement, Lea County, New Mexico.

Our records reflect the following:

- The Lennox State Unit Agreement became effective on December 15, 2011.
- Section 17 of the Unit Agreement titled "Effective Date and Term" states the following:
"This agreement may be terminated at any time by not less than seventy-five percent (75%) on an acreage basis of the owners of the working interests, signatory hereto, with the approval of the Commissioner and with notice to the Division."

Pursuant to Section 17 of the Unit Agreement, please be advised that the Commissioner of Public Lands has agreed to terminate the Lennox State Unit Agreement effective February 1, 2017.

Please notify the Oil Conservation Division and all interested parties of this action.

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791.

Respectfully

A handwritten signature in black ink, appearing to read "Aubrey Dunn", is written over the printed name.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: Reader Files
NMOCD Attn: Mr. Daniel Sanchez
TRD-Attn: Ms. Billie Luther
RMD-Attn: Mr. Danny Martinez

VOLUNTARY TERMINATION**UNIT NAME: LENNOX STATE EXPLORATORY UNIT****OPERATOR: CAZA PETROLEUM, INC.****COUNTY: LEA****TERMINATION EFFECTIVE: 2/1/2017****TERMINATION APPROVED: 1/20/2017****UNIT INFORMATION**

DATE APPROVED	OCD CASE NO. OCD ORDER NO.	TOTAL ACREAGE	STATE	FEDERAL	INDIAN FEE	SEGREGATION CLAUSE	TERM
EFFECTIVE 2/10/2012	CASE NO. 14788 ORDER NO. R-13508	1,840	1,840	0	0	STRICT	5 YEARS & SO LONG AS

APPROVALS
SLO-2/10/2012
OCD-1/25/2012

TOWNSHIP 22 SOUTH, RANGE 35 EAST
SECTION 32: ALL
SECTION 33: N2
SECTION 34: E2, NE4SW4, SE4NW4, S2SW4, W2NW4
SECTION 35: N2