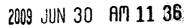
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PATRICK H. LYONS COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE. NEW MEXICO 87504-1148

June 19, 2009

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766

www.nmstatelands.org

CHM, L.L.C. 3224 Candelaria NE Albuquerque, New Mexico 87107

Attn: Mr. Ben Donegan

Re: Resignation/Designation of Successor Unit Operator

Cat Head Mesa Unit

Chaves County, New Mexico

Dear Mr. Donegan:

We are in receipt of your resignation/designation of successor unit operator, wherein Chaparral CO2, L.L.C. has resigned as unit operator of the Cat Head Mesa Unit and designated CHM, L.L.C. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Chaparral CO2, L.L.C. and the designation of CHM, L.L.C. as the successor unit operator of this unit.

This change in operators is effective May 27, 2009. In accordance with this approval, CHM, L.L.C. is now responsible for all operations and the reporting of all production from the unit.

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

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil/Gas and Minerals Division

PL/JB/jm

xc: Reader File

OCD-Santa Fe, Attn: Mr. Ed Martin

TRD-Attn: Ms. Valdean Severson

Chaparrel CO2, L.L.C.-Deannie Naylor

BLMR-John Simitz