

310 OLD SANTA FE TRAIL

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

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RECEIVED State of New Mexico COMMISSIONER 2008 OCT 28 Commissioner of Public Lands

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

October 27, 2008

Harvey E. Yates Company P. O. Box 1933 Roswell, NM 88202-1933

Attention: Ms. Melissa Randle

Re: Bennett Ranch Unit Unit Boundary Expansion Otero County, New Mexico

Dear Ms. Randle:

We have received your letter of October 13, 2008 requesting our final approval for the enlargement of the Bennett Ranch Unit, Otero County, New Mexico. The Commissioner of Public Lands hereby grants Harvey E. Yates Company final approval to expand the boundaries of the above captioned unit. Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

It is our understanding that with the expansion of the Bennett Ranch Unit Area, the unit is now described as follows:

Township 26 South, Range 12 East Sections 1, 2 and 3: All Section 10 thru 15: All Sections 22 thru 27: All Sections 35 and 36 All

Township 26 South, Range 13 East Sections 18 and 19: All Sections 30 and 31: All

The total acreage in the Bennett Ranch Unit boundary following the expansion is now 11,637.09 acres.

Our approval is contingent upon HEYCO submitting the following:

- The filing fee for an expansion is \$30.00 for every section or partial section thereof. Please submit a \$360 filing fee for the 12 section expansion.
- Please submit revised copies of Exhibits "A" and "B" reflecting the lands that are committed and the lands that are not committed to the unit.

• Our records reflect that the BLM has approved the 1st expansion to the Canyon participating area. Please submit to this office, for the Commissioner's approval, an application to expand this participating area. Please also be advised that only committed lands are allowed in a participating area and the tract participation percentages in the exhibits should reflect this.

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM •NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute•NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University Harvey E. Yates Co. October 27, 2008 Page 2

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• Our records reflect that the BLM has approved the 1st expansion to the Mississippian participating area. Please submit to this office, for the Commissioner's approval, an application to expand this participating area.

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

Very truly yours,

PATRICK H. LYONS COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director Oil, Gas and Minerals Division (505) 827-5744 PL/JB/pm

pc: Reader File, Commissioner's File

BLM-Roswell Attn: Mr. John Simitz NMOCD-Attention: Mr. Ed Martin

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