United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-2019 www.nm.blm.gov



In Reply Refer To: NM-117641-X 3180 (P01300)

Enhanced Oil Resources, Inc. Attention: Mr. Jim Skurner One Riverway, Suite 610 Houston, Texas 77056

Re: Commercial Well Determination, your Cottonwood Canyon Unit well No. 11, SE¼SW¼ sec. 16, T. 1 S., R. 21 W., Catron County, New Mexico State Land

Gentlemen:

We are in receipt of your letter of March 2, 2009 along with your Quick Economic Evaluation that supports your recommendation that the subject well be determined commercial.

We concur with your recommendation and the Commissioner Of Public Lands-State Of New Mexico recommendation per their letter dated April 1, 2009 that subject well is determined to be commercial in the Granite Wash formation effective August 26, 2008. Therefore, the well is determined to be commercial and will receive a participating area. This action is also subject to the like concurrence by the New Mexico Oil Conservation Division. Please submit a copy of application that you will or have submitted to the Commissioner Of Public Lands-State Of New Mexico for the initial Granite Wash participating area for this well and your 2009 Unit Plan Of Development.

Should you have additional questions concerning this determination, please call David Glass at (575) 627-0275. Any questions regarding the application for approval of the participating area should be directed to John Simitz at (575) 627-0288.

Sincerely,

/s/ Jerry Dutchover

MAY 27 2009

Get Angel Mayes Assistant Field Manager, Lands and Minerals

cc; MOCD-Santa Fe