

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

State of New Mexico Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

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

August 20, 2013

Sundown Energy LP Two Galleria Tower 13455 Noel Road, Suite 2000 Dallas, Texas 75240

Attn: Mr. Kyle A. Paxton

Re:

Final Approval

Bobbi State Waterflood Unit Lea County, New Mexico

Dear Mr. Paxton:

Thank you for your letters of May 23, 2013 and August 19, 2013 requesting final approval of the Bobbi State Waterflood Unit Agreement Lea County, New Mexico.

Attached with your letter of August 19, 2013 is NMOCD Statutory Unitization Order No. R-13731 which fully commits all tracts to the unit.

The Commissioner of Public Lands has this date granted final approval to the Bobbi State Waterflood Unit Agreement effective September 1, 2013. Also approved is your initial plan of operation.

Pursuant to Article 22 of your agreement, please submit a certificate of effectiveness to this office.

Enclosed are five (5) Certificates of Approval.

Your \$90.00 filing fee has been received.

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

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

Oil, Gas and Minerals Division

(505) 827-5744 RP/LR/pm

cc: Reader File,

OCD-Attention: Mr. Ed Martin TRD-Attn: Ms. Joan Ishimoto RMD-Attn: Mr. Kurt McFall