



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:

3180 (P0220)

NM-70974X

Reference:

Designation of Successor Unit Operator

Langlie Mattix Unit

Unitization Agreement No. NM-70974X

Lea County, New Mexico

FEB 22 2012

CERTIFIED—RETURN RECEIPT REQUESTED

7008 3230 0002 0987 6308

Linn Operating, Inc.

JP Morgan Chase Tower

600 Travis, Suite 5100

Houston, TX 77002

Gentlemen:

This office has received and reviewed your designation of successor unit operator in which your company has agreed to assume all rights, duties, and obligations as the unit operator of the Langlie Mattix Unit Lea County, New Mexico.

As your company as Linn Operating, Inc. has obtained a Nationwide 250,000.00 BLM Bond (NMB000501) with a rider however, a recommendation has been sent to BLM New Mexico State Office to require that Linn Operating, Inc. to post an additional individual Unit bond in the amount of \$50,000.00. The Authorized Officer condition of approval is based upon Linn Operating, Inc. final bonding to be in place within 60 days of the date of this letter.

Therefore, Linn Operating, Inc. is hereby approved as the unit operator for the Langlie Mattix Unit as of this date and is effective April 1, 2011. In accordance with this approval, Linn Operating, Inc. is responsible for all operations and the reporting of all production from the unit. Well signs should also reflect Linn Operating, Inc. as the unit operator. Please inform all interested principles of such approval. An approved copy of this designation is enclosed.

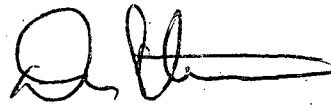
In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approvals that would entitle it to conduct operations under the Langlie Mattix Unit Agreement.

2

In addition to becoming the successor unit operator, this office requests a 2012 Plan of Development and a revised Exhibit B for the subject unit within 60 days from the receipt of this letter.

If you have any questions regarding this letter, please contact Edward G. Fernandez, Petroleum Engineer at the Division of Lands and Minerals at (575) 234-2220.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Peterson', with a long horizontal stroke extending to the right.

Don Peterson
Assistant Field Manager,
Lands and Minerals

1 Enclosure

cc:

ONRR, Denver
NMOCD-Artesia
CFO I&E
NM (P0221)
NM (P0220), CFO

DESIGNATION OF
SUCCESSOR UNIT OPERATOR
Langlie Mattix Queen Unit Area
County of Lea
State of New Mexico
Unit Agreement No. NMNM70974X

COPY

THIS INDENTURE, dated as of the 1 day of April, 2011, by and between DRB Linn Operating, Inc.
hereinafter designated as "First Party," and the owners of unitized working interests,
hereinafter designated "Second Parties,"

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1920; 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, acting by and through the Authorized Officer, on the 17th day of May, 1970, approved a Unit Agreement for North Langlie Mattix Queen Unit Area, wherein SandRidge Exploration and Production, LLC was designated as Unit Operator, and

WHEREAS, SandRidge Exploration and Production, LLC desires to resign as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligation of Unit Operator under the said Unit Agreement:

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the Langlie Mattix Queen Unit Agreement, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Authorized Officer, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement;
said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY
operating, Inc.
Linn Energy Holdings, LLC

By: David R. Beathard David R. Beathard, Vice President, Business Development

SECOND PARTIES

Linn Energy Holdings, LLC

By: David R. Beathard David R. Beathard, Vice President, Business Development

Execution Date: _____

By: _____

Execution Date: _____

COPY

CORPORATE ACKNOWLEDGEMENT

State of Oklahoma

SS.

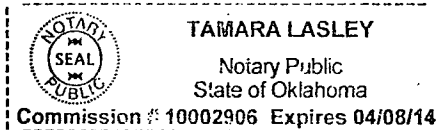
County of Oklahoma

The foregoing instrument was acknowledged before me this 1st day of April, 2011, by David R. Beatheard, Vice President, Business development of Linn Energy Holdings, LLC, a Corporation. and Linn operating, Inc. DRB

WITNESS my hand and official seal.

My commission Expires: 4/8/14

Tamara Lasley
Notary Public



Place of Residence:

Oklahoma

Attachment 1

To The Designation of Unit Operator

By and between Linn Energy Holdings, LLC

Dated April 1, 2011, Effective April 1, 2011.

COPY

DRB
Linn Operating, Inc.

as the designated successor operator, hereby certifies that the requisite approvals of the current working interest owners in the agreement have been obtained to satisfy the requirement for selection of a successor operator as set forth under the terms and provisions of the agreement. Operation on Federal wells in this agreement will be covered by BLM Bond No.

NAME: David R. Beathard

By: [Signature]

Title: Vice President, Business Development

STATE OF: Oklahoma

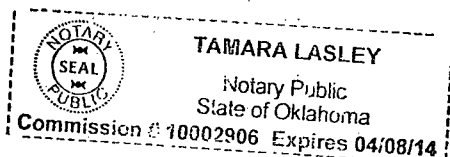
COUNTY OF: Oklahoma

This instrument was acknowledged before me on the 1st of April, 2011, by David R. Beathard as Vice President, Business Development of Linn operating, Inc. a corporation, on behalf of said Corporation.

[Signature]
Notary Public in and for the
State of Oklahoma

My commission expires: 4/8/14

SEAL



COPY

RESIGNATION OF UNIT OPERATOR

Langlie Mattix Queen Unit Area
County of Lea
State of New Mexico
Unit Agreement No. NMNM70974X

Under and pursuant to the provisions of Section 7 of the Unit Agreement for the Development and Operation of the Langlie Mattix Queen Unit Area, Lea County, New Mexico, SandRidge Exploration and Production, LLC the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of the Successor Unit Operator.

Executed with effect as aforesaid the 1 day of April, 2011.

ATTEST:

Matthew K. Grubb
President and Chief Operating Officer

MS MW
Joe

Langlie Matrix Unit

API	Well Name	Well Number	Type	Status	Unit Letter	Section	Township	Range	Spud Date	Plugged On
30-025-23298	LANGLIE MATTIX QUEEN UNIT	#002	Injection	Approved Temporary Abandonment	L	11	25S	37E	9/19/1969	
30-025-23306	LANGLIE MATTIX QUEEN UNIT	#003	Injection	Approved Temporary Abandonment	M	10	25S	37E		
30-025-11522	LANGLIE MATTIX QUEEN UNIT	#004	Oil	Active	N	10	25S	37E		
30-025-11521	LANGLIE MATTIX QUEEN UNIT	#005	Oil	Active	O	10	25S	37E		
30-025-11517	LANGLIE MATTIX QUEEN UNIT	#006	Oil	Active	O	10	25S	37E		
30-025-11518	LANGLIE MATTIX QUEEN UNIT	#007	Injection	Active	P	10	25S	37E		
30-025-11539	LANGLIE MATTIX QUEEN UNIT	#008	Oil	Active	M	11	25S	37E		
30-025-23863	LANGLIE MATTIX QUEEN UNIT	#009	Oil	Active	P	10	25S	37E		
30-025-11603	LANGLIE MATTIX QUEEN UNIT	#010	Oil	Active	C	15	25S	37E		
30-025-11607	LANGLIE MATTIX QUEEN UNIT	#011	Injection	Active	B	15	25S	37E		
30-025-11609	LANGLIE MATTIX QUEEN UNIT	#012	Oil	Active	A	15	25S	37E		
30-025-11580	LANGLIE MATTIX QUEEN UNIT	#013	Injection	Active	D	14	25S	37E		
30-025-21960	LANGLIE MATTIX QUEEN UNIT	#015	Injection	Approved Temporary Abandonment	F	15	25S	37E		
30-025-11601	LANGLIE MATTIX QUEEN UNIT	#019	Injection	Active	J	15	25S	37E		
30-025-11599	LANGLIE MATTIX QUEEN UNIT	#020	Oil	Active	I	15	25S	37E		
30-025-23186	LANGLIE MATTIX QUEEN UNIT	#022	Injection	Active	N	15	25S	37E		
30-025-11600	LANGLIE MATTIX QUEEN UNIT	#024	Oil	Active	O	15	25S	37E		
30-025-11596	LANGLIE MATTIX QUEEN UNIT	#027	Injection	Active	M	14	25S	37E	7/30/1937	
30-025-11695	LANGLIE MATTIX QUEEN UNIT	#029	Oil	Active	B	22	25S	37E		
30-025-11694	LANGLIE MATTIX QUEEN UNIT	#030	Oil	Approved Temporary Abandonment	A	22	25S	37E		
30-025-23300	LANGLIE MATTIX QUEEN UNIT	#032	Injection	Active	G	22	25S	37E		
30-025-11689	LANGLIE MATTIX QUEEN UNIT	#034	Oil	Active	H	22	25S	37E		
30-025-11705	LANGLIE MATTIX QUEEN UNIT	#035	Injection	Active	E	23	25S	37E		
30-025-23780	LANGLIE MATTIX QUEEN UNIT	#037	Oil	Active	K	15	25S	37E		
30-025-23766	LANGLIE MATTIX QUEEN UNIT	#038	Oil	Active	O	15	25S	37E	5/13/1971	
30-025-11688	LANGLIE MATTIX QUEEN UNIT	#040	Oil	Active	G	22	25S	37E		
30-025-30747	LANGLIE MATTIX QUEEN UNIT	#041	Oil	Active	A	15	25S	37E		
30-025-30750	LANGLIE MATTIX QUEEN UNIT	#044	Oil	Active	D	14	25S	37E		
30-025-39199	LANGLIE MATTIX QUEEN UNIT	#045	Oil	New (Not Drilled or Completed)	P	15	25S	37E		
30-025-39200	LANGLIE MATTIX QUEEN UNIT	#046	Oil	New (Not Drilled or Completed)	A	22	25S	37E		
30-025-39201	LANGLIE MATTIX QUEEN UNIT	#047	Oil	New (Not Drilled or Completed)	B	15	25S	37E		
30-025-39202	LANGLIE MATTIX QUEEN UNIT	#048	Oil	New (Not Drilled or Completed)	P	10	25S	37E		



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

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
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 17, 2011

Torch Energy Advisors Inc.
1331 Lamar Street, Suite 1450
Houston, Texas 77010

Attn: Mr. Nicholas Roth

Re: Resignation/Designation of Successor Unit Operator
Langlie Jal Unit
Lea County, New Mexico

Dear Mr. Roth:

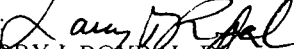
We are in receipt of your resignation/designation of successor unit operator, wherein Ranger 40 Petroleum, LLC, has resigned as unit operator of the Langlie Jal Unit and designated Resaca Operating Company as the success or unit operator.

The Commissioner of Public Lands has this date approved the resignation of Ranger 40 Petroleum, LLC, and the designation of Resaca Operating Company as the successor unit operator of this unit. Our approval is subject to kike approval by the Bureau of Land Management.

This change in operators is effective April 1, 2011. In accordance with this approval, Resaca Operating Company 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.

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

BY: 
LARRY J. ROYBAL, Director
Oil/Gas and Minerals Division
RP/LR/jm
xc: Reader File
OCD-Santa Fe, Attn: Mr. Ed Martin
TRD-Attn: Ms. Valdean Severson
BLM- Attn: Mr. Wesley Ingram