

State of New Mexico P 1: Commissioner of Public Lands

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December 29, 2010

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2118

Attn:

Ms. Janet Richardson

Supplement to 2010 Plans of Development

Banquet Unit

Eddy County, New Mexico

Dear Ms. Richardson:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our control of the Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

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

JAMI BAILEY, Director

Oil, Gas and Minerals Division

PL/JB/jm

xc: Reader File OCD-Ed Martin