

November 11, 2009

30:031-21107

Karen Sharp
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: Ojo Encino 21 Federal #1H revised C-102 & operator statement as to ownership of all spacing units in the horizontal project area

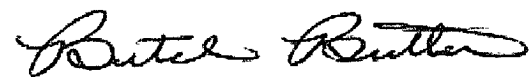
Dear Karen:

Following you will find the revised "As Drilled" C-102.

High Plains Operating Company, LLC, as operator of the Ojo Encino 21 Federal #1H well, does hereby state that the working interest ownership is identical in all 160 dedicated acres in the horizontal spacing unit (being units J, K, N & O). All working interest owners agree on the 160-acre dedicated acres for the spacing unit.

These 160 acres are part of the larger BLM lease NM|NM113426, so in addition, the royalty and overriding royalty interests are identical across the spacing unit.

Sincerely,



Arthur W. (Butch) Butler III—Manager