



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)
NM71040X

Reference:

Designation of Successor Unit Operator
Southeast Maljamar Grayburg-San Andres Unit
Unitization Agreement No. NM71040X
Lea County, New Mexico

MAR 13 2014

CERTIFIED—RETURN RECEIPT REQUESTED
7012 2210 0001-2089 3899

Cross Timbers Energy, LLC.
400 West 7th St.
Fort Worth, TX 76102

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 Southeast Maljamar Grayburg-San Andres Unit Lea County, New Mexico.

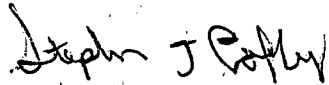
As your company has obtained a \$150,000.00 BLM Nationwide Bond (NMB001066), and all the conditions for becoming a successor unit operator have been met to the Authorized Officer's satisfaction, Cross Timbers Energy, LLC., is hereby approved as the unit operator for the Southeast Maljamar Grayburg-San Andres Unit as of this date and is effective July 1, 2013.

In accordance with this approval, Cross Timbers Energy, LLC. is responsible for all operations and the reporting of all production from the unit. Well signs should also reflect Cross Timbers Energy, LLC, 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 Southeast Maljamar Grayburg-San Andres Unit Agreement.

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 dark ink, appearing to read "Steve J. Caffey". The signature is written in a cursive, slightly slanted style.

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure

cc:
ONRR, Denver
NMOCD-Hobbs
CFO I&E
NM (P0221)
NM (P0220), CFO