



**Aubrey Dunn**  
**COMMISSIONER**

*State of New Mexico*  
*Commissioner of Public Lands*

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**COMMISSIONER'S OFFICE**

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April 7, 2016

BC Operating, Inc.  
PO Box 50820  
Midland, TX 79710

Attn: Ms. Sarah Presley

Re: Resignation/Designation of Successor Unit Operator  
South Tobac State Unit  
Chaves County, New Mexico

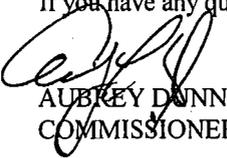
Dear Ms. Presley:

We are in receipt of your resignation/designation of successor unit operator, wherein Nadel and Gussman Permian, LLC has resigned as unit operator of the South Tobac State Unit and designated BC Operating, Inc. as the successor unit operator.

The Commissioner of Public Lands has approved the resignation of Nadel and Gussman Permian, LLC and the designation of BC Operating, Inc. the successor unit operator of this unit.

In accordance with this approval, BC Operating, Inc. is now responsible for all operations and the reporting of all production from the unit effective January 01, 2016.

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

  
AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

AD/sk

xc: Reader File

OCD-Santa Fe, Attn: Mr. Daniel Sanchez ✓

TRD-Attn: Ms. Judy Vigil