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PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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November 21, 2006

Bold Energy LP
415 West Wall
Suite 500
Midland, Texas 79701

Attn: Ms. Peggy Kerr

Re: Resignation/Designation of Successor Unit Operator
Antelope Ridge Unit
Lea County, New Mexico

Dear Ms. Kerr:

We are in receipt of your resignation/designation of successor unit operator, wherein Citation Oil and Gas Corporation has resigned as unit operator of the Antelope Ridge Unit and designated Bold Energy LP as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Citation Oil and Gas Corporation and the designation of Bold Energy LP as the successor unit operator of this unit. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

This change in operators is effective February 1, 2006. In accordance with this approval, Bold Energy LP 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.

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:
JAMI BAILEY, Director
Oil/Gas and Minerals Division

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RP/JB/cpm
xc: Reader File

Citation Oil and Gas Corporation

OCD

-State Land Office Beneficiaries -

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