



RECEIVED

12923

PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

September 27, 2007

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

Attention: Mr. Robert Bullock

Re: Voluntary Termination
Calfrope State Exploratory Unit
Lea County, New Mexico

Dear Mr. Bullock:

Your letter of September 27, 2007 has been received by this office. Your letter requests the voluntary termination of the Calfrope State Exploratory Unit Agreement. Enclosed with your letter of September 27, 2007 are ratifications of over 75% of the working interest owners requesting the unit termination.

Pursuant to Article 17 of the Calfrope State Exploratory Unit Agreement, please be advised that this office has terminated the subject Unit Agreement effective September 27, 2007.

Please notify all interested parties of this action.

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

BY:

JAMI BAILEY, Director
Oil, Gas & Minerals Division
PL/JB/pm

pc: Reader File, Commissioner's File
~~NMOCED~~-Attention: Mr. David Catanach
TRD-Attention: Mr. Valdean Severson
RMD-Attn: Mr. Kurt McFall

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

UNIT NAME: CALFROPE STATE EXPLORATORY UNIT
 OPERATOR: YATES PETROLEUM CORPORATION
 COUNTY: LEA

DATE APPROVED	OCC CASE NO. OCC ORDER NO.	TOTAL ACREAGE	STATE	FEDERAL	INDIAN FEE	SEGREGATION CLAUSE	TERM
EFFECTIVE 09/27/2002	CASE NO. 12923 ORDER NO. R-11839	1560.00	1560.00	0	0	STRICT	5 YEARS SO LONG AS

APPROVALS

SLO--09-27-2002
 OCD--09-27-2002

TOWNSHIP 15 SOUTH, RANGE 34 EAST

SECTION 28: SW4, W2NW4, SE4NW4
 SECTION 29: ALL
 SECTION 32: ALL

TERMINATED
 EFFECTIVE DATE 9-27-07
 APPROVAL DATE 9-27-07

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