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PATRICK H. LYONS
COMMISSIONER

2008 AUG 27 PM 3 29
State of New Mexico
Commissioner of Public Lands

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

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August 26, 2008

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

Attn: Mr. Robert Bullock

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

13145

Dear Mr. Bullock:

Your letter of August 7, 2008 has been received by this office. As operator of the captioned unit, your letter requests the voluntary termination of the Mandrell State Exploratory Unit Agreement. Enclosed with your letter of August 7, 2008 are ratifications of over 99% of the working interest owners requesting the unit termination.

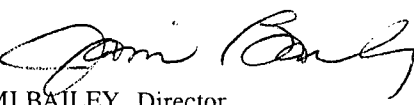
Pursuant to Article 17 of the Mandrell State Exploratory Unit Agreement, please be advised that this office has terminated the Mandrell State Exploratory Unit Agreement effective August 26, 2008.

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
NMOCD Attention: Mr. Ed Martin
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