

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

April 27, 2009

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

Attn: Ms. Barbara Nelson

Re: Voluntary Termination

> Oakridge State Exploratory Unit Lea County, New Mexico

Dear Ms. Nelson:

Your letter of April 15, 2009 has been received by this office. As operator of the captioned unit, your letter requests the voluntary termination of the Oakridge State Exploratory Unit Agreement. Enclosed with your letter of April 15, 2009 are ratifications of over 99% of the working interest owners requesting the unit termination.

Pursuant to Article 17 of the Oakridge State Exploratory Unit Agreement, please be advised that this office has terminated the Oakridge State Exploratory Unit Agreement effective April 27, 2009.

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

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

Jeff Albers

EXPLORATORY

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UNIT NAME: OAKRIDGE STATE EXPLORATORY UNIT **OPERATOR**: YATES PETROLEUM CORPORATION

COUNTY: LEA

ACREAGE TOTAL OCC ORDER NO. OCC CASE NO. **APPROVED** DATE

STATE

SEGREGATION CLAUSE

INDIAN 핊

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FEDERAL

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4092.36

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STRICT

SO LONG AS 5 YEARS

APPROVALS

EFFECTIVE 04/29/2004

OCD--04-23-2004 CASE NO. 13250 ORDER NO. R-1233 SLO--04-29-2004

TOWNSHIP 11 SOUTH, RANGE 34E

SECTION 16: N/2

SECTION 17: ALL

SECTION 18: Lots 1, 2, 3, 4, E/2W/2, E/2

SECTION 19: Lots 1, 2, 3, 4, E/2W/2, E/2 SECTION 20: ALL

SECTION 30: Lots 1, 2, 3, 4, E/2W/2, E/2 SECTION 31: Lots 1, 2, 3, 4, E/2W/2, E/2

MOVAL DATE 4.27-2009 EFFECTIVE DATE 4-27-2009 TEHWINATED