



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
ROSSELL DISTRICT OFFICE  
2909 West Second Street  
Roswell, New Mexico 88202



AUG 22 1997

IN REPLY REFER TO:

NMNM 94523-X  
3180 (06200)

AUG 21 1997

CERTIFIED MAIL RETURN RECEIPT REQUESTED  
P 144 849 338

Yates Petroleum Corporation  
Attention: Kathy Porter  
105 S. Fourth Street  
Artesia, NM 88210

Re: Designation of Successor Unit Operator for the Big Freddy Unit,  
Eddy County, New Mexico

30-10-23S-22E-1980/N + E  
30-015-29734

Dear Ms. Porter:

This office has received and reviewed your designation of successor unit operator in which your company has agreed to assume all rights, duties, and obligations as the unit operator of the Big Freddy Unit, Eddy County, New Mexico.

As your company has obtained a statewide bond and all the conditions for becoming a successor unit operator have been met to the Authorized Officer's satisfaction, Yates Petroleum Corporation, is hereby approved as the unit operator for the Big Freddy Unit as of this date and is effective August 12, 1997.

In accordance with this approval, Yates Petroleum Corporation is responsible for all operations and the reporting of all production from the unit. Well signs should also reflect Yates Petroleum Corporation as the unit operator. Please inform all interested principles of such approval. An approval copy of this designation will be sent to your company.

In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approvals that would entitle it to conduct operations under the Big Freddy Unit Agreement.

In addition to becoming the successor unit operator, this office requests a revised Exhibit B for the subject unit within 60 days from the receipt of this letter.

Should you have any questions regarding this matter, contact Gary Gourley at the Division of Minerals at (505) 627-0249.

Sincerely,

(Orig Sig) Tony L. Ferguson

Tony L. Ferguson  
Assistant District Manager,  
Minerals Support Team

cc:  
Commissioner of Public Lands (P. Martinez)  
NMOCD (Artesia)