



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

www.blm.gov/nm

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3180 (P0220)
NM88482

Reference:

Designation of Successor Operator
Communitization Agreement No. 88482
Eddy County, New Mexico

CERTIFIED—RETURN RECEIPT REQUESTED
7012 2210 0001 2089 4988

RKI Exploration & Production, LLC
210 Park Ave, Suite 900
Oklahoma City, OK 73102

Gentlemen:

This office has received and reviewed your Designation of Successor Operator in which your company has agreed to assume all rights, duties, and obligations as the operator of the Communitization Agreement No. NM88482 covering N2 of sec. 2, T. 23 S., R. 26 E., NMPM, Eddy County, New Mexico. The instruments are executed by RKI Exploration & Production, LLC, as operator of the communitized area.

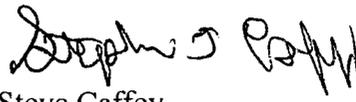
The designation of RKI Exploration & Production, LLC, as successor operator of the communitized area effective July 16, 1999 is hereby approved.

In accordance with this approval, RKI Exploration & Production, LLC, is responsible for all operations and the reporting of all production from the communitized area. Well signs should also reflect RKI Exploration & Production, LLC, as operator. Please inform all interested principles of such approval.

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 Communitization Agreement No. NM88482.

If you have any questions regarding this letter, please contact Edward G. Fernandez, Petroleum Engineer at the Division of Lands and Minerals at (575) 234-2220.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve J Caffey".

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure

cc:

ONRR (MMS), Denver
NMOCD-Artesia
NM (P0221), CFO I&E
NM (P0220), CFO

Designation of Successor Operator for CA

Designation of successor operator, communitization agreement no. NMNM 88482, covering **N/2, Sec. 2, T23S, R26E, Eddy County, New Mexico.**

This indenture, dated as to the 15th day of July, 1992, by and between **RKI Exploration & Production LLC**, hereinafter designated as "First Party", and the owners of communitized working interest, hereinafter designated as "Second Parties,"

Witnesseth: Whereas under the provision of section 17(j) of the Act of February 25, 1920, as amended (74 Stat. 784; 30 U.S.C. 266(J)), the Secretary of the Interior, acting by and through the Authorized Officer, on the 5th day of November, 1992, approved communitization agreement no. NMNM 88482 whereby **Louis Dreyfus Natural Gas Corp.** is designated as Operator of the communitized area; and

Whereas the designation of a successor operator is now desired pursuant to section No. 3 of the communitization agreement; and

Whereas the First Party has been and hereby is designated by Second Parties as Operator of the communitized area, and said First Party desires to assume all the rights, duties and obligations of Operator under said communitization;

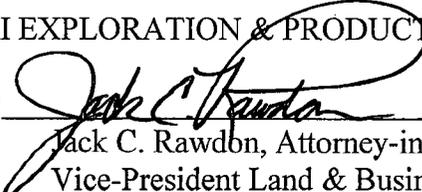
Now, therefore, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Operator of the communitized area under and pursuant to all the terms of communitization agreement no. NMNM 88482 and the Second Parties covenant and agree that effective as of the date herein specified (Effective date July 16, 1999), and upon receipt of this indenture, properly executed, by the Authorized Officer, the First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Operator, pursuant to the terms and conditions of said communitization agreement, said communitization agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said agreement were expressly set forth in this instrument.

Operator states that they have notified all working interest owners of Communitization Agreement No. NMNM 88482.

In witness whereof, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY

RKI EXPLORATION & PRODUCTION, LLC

By: 
Jack C. Rawdon, Attorney-in-Fact CR
Vice-President Land & Business Development

SECOND PARTIES

Individual Signature

By: _____

Printed Name: _____

Non-Individual Signature

Entity Name: Khody Land & Minerals Company

By: *Jack C. Rawdon*
Jack C. Rawdon, Attorney-in-Fact *CR*
Vice-President Land & Business Development

Individual Acknowledgement

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2014,
by _____.

My Commission expires:

Notary Public

Corporate Acknowledgement

STATE OF OKLAHOMA §

COUNTY OF OKLAHOMA §

This instrument was acknowledged before me on this 29th day of may, 2014,
by Jack C. Rawdon, Attorney-in-Fact and Vice-President Land & Business Development
of Khody Land & Minerals Company.

My Commission expires:

MARCH 1, 2017

Beverly S. Bryson
Notary Public

