



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



RECEIVED OCD

2013 NOV 26 P 2:31

IN REPLY REFER TO:

3180 (P0220)

NM71027X

Reference:

Designation of Successor Unit Operator

Ross Draw Unit

Unitization Agreement No. NM71027X

Eddy County, New Mexico

NOV 15 2013

CERTIFIED—RETURN RECEIPT REQUESTED

7012 2210 0001 2089 3448

RKI Exploration & Production, LLC

210 Park Ave, Suite 900

Oklahoma City, OK 73102

Gentlemen:

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 Ross Draw Unit Eddy County, New Mexico.

As your company has obtained a \$150,000.00 BLM Bond (NMB000460), and all the conditions for becoming a successor unit operator have been met to the Authorized Officer's satisfaction, RKI Exploration & Production, LLC, is hereby approved as the unit operator for the Ross Draw Unit as of this date and is effective December 21, 2012.

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

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 Ross Draw Unit Agreement.

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 "Stephen J Caffey". The signature is written in a cursive, somewhat stylized font.

Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure

cc:

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