

PATRICK H. LYONS COMMISSIONER

State of New Mexic 2007 MAY 31 Commissioner of Public Lands

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May 23, 2007

Forest Oil Corporation 707 17TH St. Suite 3600 Denver Colorado 80202

Attn: Cindy Bush

Re: Designation of Successor Unit Operator

Caprock Maljamar Unit Lea County, New Mexico

Dear Ms. Bush:

Thank you for your Designation of Successor Unit Operator dated March 5, 2007 for the Caprock Maljamar Unit. Forest Oil Corporation as the successor unit operator agrees to assume all rights, duties, and obligations as the unit operator of the Caprock Maljamar Unit in Lea County.

The Commissioner of Public Lands has as of this date approved the change in unit operator effective January 1, 2006. Please notify all interested parties.

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 and Minerals division

PL/JB/jm

xc: Reader File

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