

PATRICK H. LYONS COMMISSIONER

## State of New Mexico 2007 JUN 25 PN 12-24 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

June 21, 2007

XTO Energy, Inc. 200 North Loraine, Ste. 800 Midland, Texas 79705

Attn:

Ms. Kristy Ward

Re:

Resignation/Designation of Successor Unit Operator

Arrowhead Grayburg Unit Lea County, New Mexico

Dear Ms. Ward:

We are in receipt of your resignation/designation of successor unit operator, wherein Chevron USA Inc. has resigned as unit operator of the Arrowhead Grayburg Unit and designated XTO Energy, Inc. as the successor Unit Operator.

The Commissioner of Public Lands has this date approved the resignation of Chevron USA Inc. and the designation of XTO Energy, Inc. as the successor unit operator of this unit. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

This change in operators is effective August 1, 2004. In accordance with this approval, XTO Energy, Inc. is now responsible for all operations and the reporting of all production from the unit.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

PATRICK H. LYONS

COMMISSIONER OF PUBLIC LANDS

JAMI BAILEY, Director

Oil/Gas and Minerals Division

(505) 827-5744

PL/JB/jm

xc: Reader File

TRD-Attn: Mr. Valdean Severson OCD-Attn: Mr. David Catanach BLM Roswell-Attn: Mr. John Simitz

-State Land Office Beneficiaries -



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May 30, 2007

XTO Energy, Inc. 200 North Loraine, Suite 800 Midland, TX 79701

Attn: Ms. Kristy Ward

Re:

Designation of Successor Unit Operator

Arrowhead Grayburg Unit Lea County, New Mexico

Dear Ms. Ward:

The Bureau of Land Management has notified this office that XTO Energy, Inc. has been designated as the successor unit operator of the Arrowhead Grayburg Unit, Lea County, New Mexico. Our records reflect that Chevron U S A Inc. is still the operator of record for this unit. Since a change of operator has not been approved by this office, XTO Energy, Inc. is operating the Arrowhead Grayburg Unit without authority.

In view of the above, please submit within (30) days, a resignation from Chevron U S A Inc. and the designation of XTO Energy, Inc. as successor unit operator to this office for approval. XTO Energy, Inc. must also accept the duties and responsibilities as the successor unit operator in writing.

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/im

xc: Reader File

OCD

BLM

cc: Chevron U S A Inc.

-State Land Office Beneficiaries -