



Ray Powell, M.S., D.V.M.  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
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SANTA FE, NEW MEXICO 87504-1148

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2011 MAR 28 AM 11:35  
COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
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www.nmstatelands.org

March 22, 2011

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210-2118

Attn: Ms. Janet Richardson

Re: Herradura Unit Well No. 2  
Location Request  
Eddy County, New Mexico

Dear Ms. Richardson

Your letter of March 16, 2011 requests our approval to drill the Herradura Unit Well No. 2 at a location 510' FNL and 1930' FEL of Section 2, Township 24 South, Range 25 East.

Please be advised that the location for the second obligation well in Section 2, Township 24 South, Range 25 East is hereby approved.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: *Larry J. Roybal*  
LARRY J. ROYBAL, Deputy Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/LR/pm

cc: OCD-Santa Fe Attn: Mr. Ed Martin  
BLM-Carlsbad Attn: Mr. Weslie Ingram