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PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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February 21, 2008

Chevron USA Inc.
15 Smith Road, Room 2235
Midland, Texas 79705

Attn: Mr. Daniel Pequeno

Re: Amended Cooperative Lease Line Agreement
Vacuum Grayburg San Andres Unit & Central Vacuum Unit
Lea County, New Mexico

Dear Mr. Pequeno:

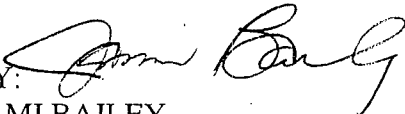
Your letter of January 24, 2008 has been received. As operator of the referenced unit agreements, Chevron requests our approval to amend the Cooperative Lease Line Agreement for the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit.

The Commissioner of Public Lands has this date approved the above referenced lease Line Agreement. It is our understanding that the amendment includes the addition of the Well Nos. 438, 439, 440 and 441 all to be located in Sec. 1-18S-34E. All costs to drill, equip, operate, plug and abandon the wells and all production therefrom will be allocated and the wells will be owned as follows: Vacuum Grayburg San Andres Unit 50%, Central Vacuum Unit, 50%.

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

BY: 
JAMI BAILEY

Oil, Gas & Minerals Division
PL/JB/pm

pc: Reader File,
OCD-Santa Fe, Attn: Mr. William Jones
TRD-Attn: Mr. Valdean Severson
RMD-Attn: Mr. Kurt Mcfall

-State Land Office Beneficiaries -

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