



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



NMNM-124848X
3180 (P0220)

14473

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

JUL 29 2011

Re: Herradura Unit NMNM124848X
Location Request
Eddy County, New Mexico

Gentlemen:

The Bureau of Land Management (BLM) has received your letter dated March 3, 2011 requesting our approval to drill the Herradura Unit Well No. 2 at a location 510' FNL 1,930' FEL of Section 4, Township 24 South, Range 25 East.

Please be advised that the BLM agrees and approves of the new location of the second obligation well for the Herradura Unit. Our approval is subject to like approval by NMOCD and the State Commissioner of Public Lands.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Sincerely,

Don Peterson
Assistant Field Manager
Lands and Minerals

cc: Commissioner of Public Lands
NMOCD
LLNM9210
NMP0220