

June 18, 2013

Working Interest Owners Rosa Unit Fruitland

Re: 30-32 Expansion Rosa FRT PA corrected approval letter 30th effective 7-1-2011 31st effective 9-1-2011 32nd effective 11-1-2011

Attached is the **corrected BLM approval letter** dated June 13, 2013 for the Rosa Fruitland 30, 31 & 32 expansions. This letter replaces the approval letter that was dated May 21, 2013 and cover letter dated June 3, 2013. Also attached from the BLM states what was corrected.

The wells coming into the PA are the Rosa #399A, Rosa #377, Rosa #406 and Rosa #63A. Along with the wells bringing in the acreage will also be the non-commercial well in the same spacing and formation, Rosa #377A, and the Rosa #63.

If you have any questions please contact me at 539-573-6181.

Sincerely,

ris Kuse

Kris Russell WPX Energy, LLC Land Data Specialist P.O. Box 3102 MS 44-2 Tulsa, OK 74101 Kris.russell@wpxenergy.com

Dist: WI Owners State of New Mexico Commissioner of Public Lands Oil Conservation Division

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United States Department of the Interior

BUREAU OF LAND MANAGEMENT Farmington Field Office

armington Field Office 6251 College Blvd. Farmington, NM 87402

IN REPLY REFER TO: Rosa Unit FR PA (NMNM78407D) 3180 (NMF021110)

June 13, 2013

RECEIVED

Ms. Kristine Russell WPX Energy P.O. Box 3102 Tulsa, OK 74101-3102

JUN 17 2013

LEASEHOLD PROPERTIES

RE: Rosa Unit I-Sec. 587 San Juan and Rio Arriba County, NM Fruitland Coal Participating Area

> Thirtieth Expansion Effective 07/01/2011 Thirty-First Expansion Effective 09/01/2011 Thirty-Second Expansion Effective 11/01/2011

Dear Ms. Russell:

Please find attached a corrected letter for the above mentioned PA Expansion. I have corrected the well completion date for the Rosa Unit #399A from 03/29/2007 to 06/28/2011, Rosa Unit #377 from 09/01/2011 to 08/14/2011, Rosa Unit #406 from 11/01/2011 to 10/06/2011.

Secondly, I corrected the total number of acres in the participating are to read 32,824.00. I had inadvertently stated the total acreage in the participating area as 33,062.44 acres. Please refer to the corrected letter.

If you have any questions, please contact Cynthia Marquez me at the address above or call 505-564-7741.

Sincerely, Cynthia: Marques

Cynthia Marquez Land Law Examiner Branch of Petroleum Management

cc: Commissioner of Public Lands, Santa Fe, NM ONRR 357 B1, Denver, CO



United States Department of the Interior

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LEASEHOLD PROPERTIES

Ms. Kristine Russell WPX Energy P.O. Box 3102 Tulsa, OK 74101-3102

RE: Rosa Unit I-Sec. 587 San Juan and Rio Arriba County, NM Fruitland Coal Participating Area

> Thirtieth Expansion Effective 07/01/2011 Thirty-First Expansion Effective 09/01/2011 Thirty-Second Expansion Effective 11/01/2011

Dear Ms. Russell:

In response to a letter from WXP Energy dated February 28, 2013, the Farmington Field Office has reviewed the data submitted on the above referenced expansion to the Rosa Unit Fruitland Participating Area. The following are the expansions with the description of the acreage and wells included in the expansions. These wells were previously determined to be paying wells by this office.

THIRTIETH EXPANSION – EFFECTIVE 07/01/2011

WELL& COMPLETION DATE	TRACT #	DRILLING BLOCK	ACRES	LEASE
Rosa Unit #399A 06/28/2011	· 11	(E2) Sec.31, T. 31 N., R. 4W.	320.00	SF078777*

THIRTY-FIRST EXPANSION – EFFECTIVE 09/01/2011

WELL & COMPLETION DATE	TRACT #	DRILLING BLOCK	ACRES	LEASE
Rosa Unit #377 08/14/2011	22 24	 (NW) Sec. 26, T. 31 N., R. 5 W. (NE) Sec. 26, T. 31 N., R 5W. Less non-committed lands (27.92) 	160.00 <u>132.08</u> 292.08	SF078768 FEE *

WELL & COMPLETION DATE	TRACT #	DRILLING BLOCK	ACRES	LEASE
Rosa Unit #406 10/06/2011	22 <u>B</u>	(E2) Sec. 36, T. 31 N., R. 5 W.	320.00 320.00	SF078768 *
Rosa Unit #63A 08/18/2006	11	(E/2) Sec. 30 T 31 N., R. 4W.	<u>320.00</u> 640.00	SF078777*

THIRTY-SECOND EXPANSION – EFFECTIVE 11/01/2011

* Lease where the well is physically located.

Approval is hereby granted for the Thirtieth through Thirty-Second Expansions to the Fruitland Formation Participating Area (PA) for the Rosa Unit. Please file all production reports for the PA under AFS number 892000587C. However, Rosa Unit No. 377, in the Thirty-First Expansion includes both committed and non-committed acreage within the unit boundary. Therefore, the Rosa Unit No. 377 well, will report production to Communitization Agreement NMNM112631. The Rosa Unit No. 63 well is included in the participating area effective the Thirty-Second expansion date of November 1, 2011.

The Thirtieth through Thirty-Second Expansions of the Fruitland Participating Area resulted in the addition of 1252.08 acres to the participating area for a total of 32,824.00 acres. The total number of acres in the participating area is 32,824.00 and the total number of acres not-committed to the participating area is 238.44 acres for a total sum of 33,062.44 acres.

Please advise all interested parties of the Thirtieth through Thirty-Second Expansions to the Rosa Unit Fruitland Participating Area and the effective dates.

This approval requires submission of Payor Information Form ONRR-4025 to the ONRR within 30 days (30 CFR 210.51). Please notify the designated payor or payors (purchasers, working-interest owners, or others) as soon as possible regarding this requirement. Any production royalties that are due must be reported and paid within 90 days of our approval date or the payors will be assessed interest for late payment under the authority of the Federal Oil and Gas Royalty Management Act of 1982 (see 30 CFR 218.54). If you need assistance or clarification, please contact the ONRR at 1-800-525-9167, or (303) 231-3054.

If you have any questions, please contact Cynthia Marquez at the above address or telephone (505) 564-7741.

Sincerely,

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Cynthia Marquez Land Law Examiner Branch of Petroleum Management

cc: Commissioner of Public Lands, Santa Fe, NM ONRR 357 B1, Denver, CO

WORKING INTÉREST OWNERS • ROSA UNIT FRUITLAND COAL PARTICIPATING AREA THIRTIETH – THIRTY-SECOND EXPANSIONS

BP AMERICA PRODUCTION CO. ATTN: LAUREN KREJCI P.O. BOX 3092 HOUSTON, TX 77253

MS. ELIZABETH T. CALLOWAY P.O. BOX 191767 DALLAS, TX 75219-1767

MR. JOHN TURNER 8409 PICKWICK LANE, SUITE 258 DALLAS, TX 75225

OMIMEX PETROLEUM, INC. ATTN: CLARK P. STORMS 7950 JOHN T. WHITE ROAD FORT WORTH, TX 76120

CONOCOPHILLIPS COMPANY ATTN: CHIEF LANDMAN, SAN JUAN/ROCKIES P.O. BOX 4289 FARMINGTON, NM 87499-4289 MR. FRED E. TURNER, L.L.C. 4925 GREENVILLE AVENUE, SUITE 852 DALLAS, TX 75206-4079

MR. J. GLENN TURNER, JR., L.L.C. 4809 COLE, SUITE 212 DALLAS, TX 75205

SACRAMENTO MUNICIPAL UTILITIES DISTRICT ATTN: BOB SHIPLEY P.O. BOX 15830 SACRAMENTO, CA 95852-1830

MARY FRANCES TURNER, JR TRUST c/o JPMORGAN CHASE BANK, N.A., TRUSTEE ATTN: LESLIE TIPPING P.O. BOX 2605 FORT WORTH, TX 76113

SACRAMENTO MUNICIPAL UTILITIES DISTRICT ATTN: RANDALL R. DREITH PRINCIPAL ENERGY TRADING SPECILIST 6201 S STREET MAILSTOP A404 SACRAMENTO, CA 95817