



Aubrey Dunn
COMMISSIONER

State of New Mexico
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

October 1, 2015

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

Attn: Mr. Chuck Moran

Re: Notice of Termination
Tomorrow State Exploratory Unit
Eddy County, New Mexico

Dear Mr. Moran:

The Tomorrow State Unit was approved effective July 29, 2015. Article 8 of the agreement provides that "the Unit operator shall, within (60) days after the effective date of the agreement commence operations upon an adequate test well for oil and gas upon some part of the lands embraced within the unit area and shall drill said well with due diligence to a depth sufficient to attain the top of the Brushy Canyon (Delaware Mountain Group) formation or to such a depth as unitized substances shall be discovered in paying quantities at a lesser depth our until it shall, in the opinion of the unit operator, be determined that the further drilling of said well shall be unwarranted or impracticable. . ."

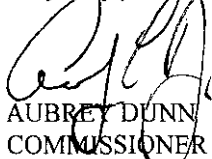
Your letter of September 21, 2015 has been received. As operator of the captioned unit, your letter advises this office that Yates Petroleum Corporation will not commence the drilling operations on the Tomorrow State Exploratory Unit by September 29, 2015 as required by Article 8 of the agreement.

In view of the above, please be advised that since Yates Petroleum Corporation failed to commence the drilling of the initial obligation well on time, the Tomorrow State Unit has been declared invalid ab initio by the Commissioner and as a result the Tomorrow State Unit has been terminated effective September 30, 2015.

Please notify all interested parties of this action.

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

Very truly yours,


AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/pm

cc: Reader File,
NMOCD Attention: Mr. Daniel Sanchez
TRD-Attention: Ms. Billie Luther
RMD-Attn: Mr. Danny Martinez

R 14019
C 15342

RECEIVED OGD
2015 OCT 13 P 3:58



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

RECEIVED OCD

2015 AUG - 7

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

July 29, 2015

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

211407
C. 18342

Attn: Mr. Chuck Moran

Re: Final Approval
Tomorrow State Exploratory Unit
Lea County, New Mexico

Dear Mr. Moran:

This office is in receipt of your letter of July 27, 2015, requesting final approval of the Tomorrow State Exploratory Unit Agreement, Lea County, New Mexico.

Please be advised that the Commissioner of Public Lands has this date granted final approval to the Tomorrow State Exploratory Unit Agreement. The effective date of your agreement is July 29, 2015.

It is our understanding that Unit Tracts Nos. 4 and 5 are not committed to the unit at this time.

Enclosed are (5) Certificates of Approval.

Your \$90.00 filing fee has been received.

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

Very truly yours,

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/pm

cc: Reader File,
NMOCD Attention: Mr. Daniel Sanchez
TRD-Attention: Ms. Billie Luther
RMD-Attn: Mr. Danny Martinez

UNIT NAME: Tomorrow Unit
OPERATOR: Yates Petroleum Corp.
COUNTY: Lea

UNIT #300371

UNIT TYPE: SEXPL

DATE	7/29/2015	OCD CASE NO.	15342	TOTAL			INDIAN	SEGREGATION	TERM
APPROVED		OCD ORDER NO.	R-14014	ACREAGE	STATE	FEDERAL	FEE	CLAUSE	

EFFECTIVE	CASE NO.	15342							
7/29/2015	ORDER NO.	R-14014	1,800.76	1,800.76			MODIFIED	5 YEARS & SO LONG AS	

APPROVALS

SLO- 07/29/2015
OCD- 07/09/2015

TOWNSHIP 23 SOUTH, RANGE 35 EAST
SECTION 35: E/2,W/2
SECTION 36: N/2, SW/4, SE4SE/4

TOWNSHIP 24 SOUTH, RANGE 35 EAST
SECTION 2: Lots 1,2,3,4, S/2N/2,S/2(ALL)

RECEIVED OCD
2015 AUG - 7 P 3:20

UNIT NAME: Tomorrow Unit
OPERATOR: Yates Petroleum Corp.
COUNTY: Lea

TERMINATED
EFFECTIVE DATE 9-30-15
APPROVAL DATE 10-1-15

UNIT #300371

UNIT TYPE: SEXPL

DATE	7/29/2015	OCD CASE NO.	15342	TOTAL				INDIAN	SEGREGATION	TERM
APPROVED		OCD ORDER NO.	R-14014	ACREAGE	STATE	FEDERAL		FEE	CLAUSE	

EFFECTIVE	CASE NO.	15342								
7/29/2015	ORDER NO.	R-14014	1,800.76	1,800.76				MODIFIED		5 YEARS & SO LONG AS

APPROVALS

SLO- 07/29/2015
OCD- 07/09/2015

TOWNSHIP 23 SOUTH, RANGE 35 EAST

SECTION 35: E/2,W/2

SECTION 36: N/2, SW/4, SE4SE/4

TOWNSHIP 24 SOUTH, RANGE 35 EAST

SECTION 2: Lots 1,2,3,4, S/2N/2,S/2(ALL)

RECEIVED OCT - 5 P 3

OCD