



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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October 26, 2015

Vanguard Operating, LLC
5847 San Felipe, Suite 3000
Houston, TX 77057

21,5299
C1,5773

Attn: Ms. Christine de Villiers

Re: Resignation/Designation of Successor Unit Operator
Effective October 5, 2015
North Millman Unit
Eddy County, New Mexico

Dear Ms. de Villiers:

We are in receipt of your resignation/designation of successor unit operator, wherein LRE Operating, LLC resigned as unit operator of the North Millman Unit and designated Vanguard Operating LLC as the successor unit operator.

The Commissioner of Public Lands has approved the resignation of Vanguard operating, LLC and the designation of Vanguard Operating, LLC as the successor unit operator of this unit.

In accordance with this approval, Vanguard Operating, LLC is now responsible for all operations and the reporting of all production from the unit effective October 5, 2015.

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

A handwritten signature in dark ink, appearing to read "Aubrey Dunn", is written over the printed name.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/sk

xc: Reader File

OCD-Santa Fe, Attn: Daniel Sanchez

TRD-Attn: Ms. Judy Vigil