

PATRICK H. LYONS **COMMISSIONER**

State of New Mexico PM 12 02 COMMISSIONER'S OFFICE Commissioner of Public Lands

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

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

January 23, 2008

Walsh and Watts, Inc. 1111 Seventh Street Wichita falls, TX 76301

Attn: Mr. Alfred B. Guinn

Re: 2007 Plan of Development

> North Square Lake Premier Unit Eddy County, New Mexico

Dear Mr. Guinn:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

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

JAMI BAILEY, Director

Oil, Gas and Minerals Division

PL/JB/jm

xc: Reader File

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