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2008 JUL 22 *State of New Mexico*

PATRICK H. LYONS
COMMISSIONER

Commissioner of Public Lands

310 OLD SANTA FE TRAIL

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

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July 21, 2008

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

Attn: Mr. Cody Moore

Re: 2008 Plan of Development
Fender State Unit
Lea County, New Mexico

Dear Mr. Moore:

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
(505) 827-5744

PL/JB/jm

xc: Reader File

OCD

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