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PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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October 27, 2008

BEPCO, L. P.
201 Main Street
Fort Worth, Texas 76102-3131

Attn: Mr. Brad Glasscock

Designation of Agent
Pierce Canyon 32 Federal # 1H Well Poker Lake Unit
Eddy County, New Mexico

Dear Mr. Glasscock:

Thank you for your letter of September 15, 2008, together with a Designation of Agent for the Poker Lake Unit. The document designates Chesapeake Exploration as an Agent for the drilling, testing, and completion of the Pierce Canyon 32 Federal # 1H Well.

The Commissioner of Public Lands has this date approved the Designation of Agent. It is our understanding that this Designation of Agent does not relieve the unit operator of responsibility for compliance with the terms of the unit agreement and all oil and gas regulations. Our approval is subject to like approval by the New Mexico Oil Conservation and the Bureau of Land Management.

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

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil/Gas and Minerals Division
(505) 827-5744

PL/JB/jm
OCD- Ed Martin
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