

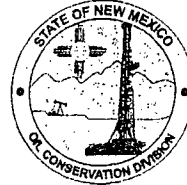
State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

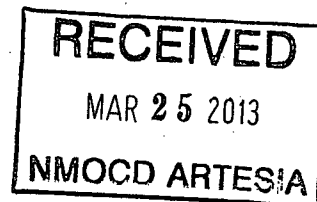
**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



March 18, 2013

J. S. Ward & Son Inc.  
101 S. 4<sup>th</sup> Street  
Artesia, NM 88210  
Attn: Samantha Sanchez



Re: \$13,200 One-Well Plugging Bond  
Yates Petroleum Corporation, Principal,  
US Specialty Insurance Company, Surety  
API 30-015-27631  
NDDUP Unit #40  
660' FSL and 760' FEL  
Section 17, Township 19 South, Range 25 East  
Eddy County, NM  
Bond No. B007865

Dear Ms. Sanchez:

The New Mexico Oil Conservation Division hereby approves the above-captioned one-well plugging bond with attached Surety Rider No. 1 dated March 5, 2013.

Sincerely,

A handwritten signature in cursive script, appearing to read "David K. Brooks".

DAVID K. BROOKS  
Assistant General Counsel

DKB/dg

cc: Oil Conservation Division – Artesia District

U.S. Specialty Insurance Company  
13403 Northwest Freeway  
Houston, TX 77040  
Attn: Edwin H. Frank, III