

Ray Powell, M.S., D.V.M. COMMISSIONER

State of New Mexico Commissioner of Public Lands

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

June 1, 2012

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

Attn: Mr. Robert Morrison

Re:

Voluntary Termination

Pigskin State Exploratory Unit Chaves County, New Mexico

Dear Mr. Morrison:

RECEIVED AUG 28 2012 NMOCD ARTESIA COMMISSIONER'S OFFICE

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

JUM 05 2012

30-005-63943

Your letter of April 18, 2012 requesting termination of the Pigskin State Exploratory Unit in Chaves County has been received by this office. As operator of the captioned unit, your letter notifies this office that over seventyfive percent of the working interest owners have elected to voluntarily terminate the Pigskin State Exploratory Unit effective June 1, 2012.

Please be advised that pursuant to Section 17 of the unit agreement, this office has terminated the Pigskin State Exploratory Unit effective June 1, 2012.

Please notify all interested parties of this action.

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

Very truly yours,

RAY POWELL, M.S., D.V.M.

COMMISSIONER OF PUBLIC LANDS

LARRY J. ROYBAL, Beputy Director

Oil, Gas and Minerals Division

(505) 827-5744

RP/LR/pm

OCD-Santa Fe Attn: Mr. Ed Martin

TRD-Attn: Mr. Valdean Severson RMD-Attn: Mr. Kurt McFall

Reader file