

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

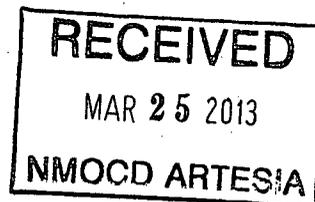
Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



March 18, 2013

J. S. Ward & Son Inc.
101 S. 4th 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