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D OIL & GAS PROPERTIES

July 15, 2010

RE: Aspen Operating Company
State CA #1
Lea County, New Mexico

30-025-03639

David Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

JUL 19 2010

HOBBSOCD

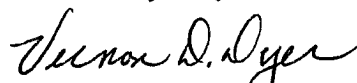
Dear Mr. Brooks:

Aspen Operating Company, LLC filed a C-101 and C-102, application for drilling of a Devonian Well, being the State CA #1 located in the SE/SE/ of Section 9, T-10-S R-36-E, Lea County New Mexico. As I was advise by Donna Mull of the Hobbs Office, the location is in the Crossroads South Pool with 80 acre pool units and a standard location is 660' FEL & 660' FSL. The bottom-hole location for this application is 330' FEL and therefore a Non Standard Location (NSL) and we are to notify all offset Operators with a producing Devonian Well. I researched the public records (State Land Office and Oil Conservation Division) to determine the minerals are owned by the State of New Mexico (SLO) which are leased to the following:

1. North Offset, North Half of Section is unleased and there is not a producing well on the land.
2. West Offset, West Half of Southeast is unleased and there is not a producing well located on the land.
3. South Offset, North half of Section is leased to Cimarex Energy Company (VB-1495-0001) and there is not a producing well on the land.
4. East Offset, Southwest Quarter of Section leased to Yates Petroleum Corporation (VO-8466-0000) and there is not a producing well on the land

I am taking the liberty to copy both Cimarex Energy and Yates Petroleum of this notice. We are also requesting approval of the NSL so we may proceed with the drilling of the above well. If you have any questions, please feel free to contact me.

Yours very truly,


Vernon D. Dyer CPL 3174

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FACED BY THE
OFFICE OF THE
STATE LAND OFFICE