STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF SAN JUAN RESOURCES, INC. FOR APPROVAL OF THE LINDRITH EAST (DEEP) UNIT, RIO ARRIBA COUNTY, NEW MEXICO.

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APPLICATION

San Juan Resources, Inc. ("SJR") files this application for an order approving the proposed Lindrith East (Deep) Unit. In support of its application, SJR states:

1. The proposed Unit Area consists of approximately 8,800-acres of the following Federal and Patented lands situated in Rio Arriba County, New Mexico:

Township 24 North, Range 2 West, N.M.P.M.

Section 10: NE/4, E/2SE/4

Section 11: ALL

Section 12: ALL

Section 13: ALL

Section 14: ALL

Section 15: N/2NE/4, N/2SE/4

Section 22: E/2

Section 23: ALL

Section 24: ALL

Section 25: ALL

Section 26: ALL

Section 27: ALL

Section 33: S/2

Section 34: ALL

Section 35: ALL

Section 36: ALL

2. SJR is the designated operator under the proposed Unit Agreement and the unitized interval is all formations below the Top of the Mancos Formation, which is defined as the stratigraphic equivalent of 5,820 feet MD in the Amoco Federal Oso #1 well located in the NW/4, Section 24, Township 24 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico (API#3003926672).

- 3. SJR expects to obtain approval of the proposed Unit Agreement by a sufficient percentage of the interest owners to provide effective control of unit operations.
- 4. SJR has met with the Bureau of Land Management and received a letter recognizing the proposed unit area as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act.
- 5. The Unit Agreement, and the unitized operation and management of the Unit Area, are in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, SJR requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on January 6, 2022, and that after notice and hearing as required by law, the Division enter its order granting this Application.

Respectfully submitted,

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