From: Aol.

To: McClure, Dean, EMNRD; Garcia, John, EMNRD; Brancard, Bill, EMNRD

Subject: Re: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

**Date:** Friday, April 14, 2023 9:20:02 AM

Attachments: image001.png

Yes, the unitized interval is the top of the Bone Spring to the base of the Wolfcamp. (Sorry -- in the e-mail below I mistakenly said "Dakota"). The State Land Office required the unit name to include the term "BS/WC" to denote the unitized formations. Exhibit 1-A submitted at hearing is the request sent to the SLO for preliminary unit approval, and the Geological Writeup discusses only devlopment of the Bone Spring and Wolfcamp formations.

In reviewing Division data for wells previously drilled on the unitized acreage, I found that there have been Strawn and Morrow wells drilled. but they were marginal and have been P&A'd, so there is no potential in those zones. There are no wells drilled above the top of Bone Spring. Spring.

Jim Bruce

----Original Message-----

From: McClure, Dean, EMNRD < Dean. McClure@emnrd.nm.gov>

To: Aol. <jamesbruc@aol.com>; Garcia, John, EMNRD <JohnA.Garcia@emnrd.nm.gov>; Brancard, Bill,

EMNRD <bill.brancard@emnrd.nm.gov>

Sent: Thu, Apr 13, 2023 3:26 pm

Subject: RE: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

Please confirm for me that the unitized interval as submitted within the exhibits is correct; that being the bone spring and Wolfcamp formations if I recall correctly. You may do so via a response to this email chain if you wish.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

From: Aol. <jamesbruc@aol.com>

**Sent:** Thursday, April 13, 2023 1:44 PM

**To:** McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>; Garcia, John, EMNRD <JohnA.Garcia@emnrd.nm.gov>; Brancard, Bill, EMNRD <bill.brancard@emnrd.nm.gov>

**Subject:** Re: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

It is Bone Spring and Dakota. Let me know if you want me to file a supplemental notice.

I only had written down at the hearing that you wanted info on the initial unit well, which I have filed.

Jim Bruce

----Original Message-----

From: McClure, Dean, EMNRD < Dean.McClure@emnrd.nm.gov >

To: Garcia, John, EMNRD < JohnA. Garcia@emnrd.nm.gov >; Aol. < jamesbruc@aol.com >; Brancard, Bill,

EMNRD < bill.brancard@emnrd.nm.gov >

Sent: Thu, Apr 13, 2023 11:41 am

Subject: RE: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

Mr. Bruce,

As I recall, there was a question regarding the unitized interval and you had planned to submit supplemental information with additional clarification on the topic. Has this been done?

Dean McClure Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: Garcia, John, EMNRD < JohnA. Garcia@emnrd.nm.gov >

**Sent:** Thursday, April 13, 2023 11:34 AM

To: Aol. <a href="mailto:spin-sep-rule">jamesbruc@aol.com</a>; Brancard, Bill, EMNRD <a href="mailto:bill.brancard@emnrd.nm.gov">bill.brancard@emnrd.nm.gov</a>; McClure, Dean,

EMNRD < Dean.McClure@emnrd.nm.gov >

Subject: RE: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

Mr. Bruce,

I have cced Dean to this email as he reviews our Unit orders. Dean please see below.

Thank you,

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



From: Aol. <<u>jamesbruc@aol.com</u>>
Sent: Thursday, April 13, 2023 8:12 AM

To: Brancard, Bill, EMNRD < bill.brancard@emnrd.nm.gov >; Garcia, John, EMNRD

<<u>JohnA.Garcia@emnrd.nm.gov</u>>

Subject: [EXTERNAL] Dakota Resources Case 23359/Approval of unit agreement

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Gentlemen: This case was heard in early March, and at the hearing I asked for an order by the end of April. Such approval is necessary for the SLO's approval to be effective. See Exhibit 2-C submitted at the hearing. Lack of Division approval by the end of this month will lead to lease termination, adversely affecting applicant's correlative rights.

I guess I'm in full begging mode, but if that's what it takes, fine. Please let me know if there are any more questions you have.

If you want I will be happy to draft a proposed order.

Thanks.

Jim