From: Lowe, Leonard, EMNRD

To: Kevin McQueen

Subject: RE: 100 % Working Interest?

Date: Wednesday, July 27, 2022 4:58:00 PM

Importance: High

Mr. McQueen,

The OCD will cancel your submitted application. IACX has not received OCD requested information.

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113

C: 505-930-6717

http://www.emnrd.state.nm.us/ocd/

From: Lowe, Leonard, EMNRD

Sent: Wednesday, March 30, 2022 12:45 PM **To:** Kevin McQueen kevinmcqueen@iacx.com

Subject: 100 % Working Interest?

Importance: High

Mr. McQueen,

Re: SD application for the Night Owl AFA State Com Well No. 2

The application indicated that IACX Production, LLC is the only offsetting operator and noted that no notice was required.

If IACX is 100% working interest in all of the affected tracts, that needs to be stated as so by a letter written by IACX's landman. That letter should be within the SD application.

Please verify, if IACX is a 100% Working Interest. If so, please submit a letter from IACX's land stating so.

If IACX is NOT 100% working interest in the affected tracts, then IACX will need to provide notice to the Working Interest in those tracts.

"19.15.2.7 DEFINITIONS

- (8) "Affected persons" means the following persons owning interests in a spacing unit or other identified tract:
- (a) the **operator**, as shown in division records, of a well on the tract, or, if the tract is included in a division-approved or federal unit, the designated unit operator;
- **(b)** in the absence of an operator, or with respect to an application wherein the <u>operator of the spacing unit or identified tract is the applicant</u>, each **working interest owner** whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant files the application;"

Leonard R. Lowe

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