



JUL 24 2018 4:05:48

Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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Wyatt Permian
ATTN: Mr. Steven Gohlke
24 East Greenway Plaza, Suite 600
Houston, TX 77046

July 16, 2018

RE: Larry San Andres Unit
Non-Approval of 2nd Drilling Extension
Lea County, New Mexico

Dear Mr. Gohlke:

We are in receipt of your letter of July 12, 2018 in which you requested an extension to September 12, 2018 to either receive a determination of production in "paying quantities" for the initial well drilled in the Larry San Andres Unit (Larry San Andres Unit 18 103H) or spud the second well for the unit.

Your request for a 2nd extension of the paying quantities/drilling extension is not approved. Approval of the 1st extension dated April 12, 2018 indicated that it was a one-time extension to July 12, 2018, and the State Land Office is not granting a 2nd extension. This unit will be terminated for failure to comply with the drilling provisions delineated in Article 8 of the Larry San Andres Unit Agreement.

If you have any questions, please contact Units Manager Marilyn Gruebel at 505.827.5791 or mgruebel@slo.state.nm.us.

Respectfully,

A handwritten signature in black ink, appearing to read "Aubrey Dunn", written over the printed name and title.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: OCD - ATTN: Daniel Sanchez
Units Reader Files