



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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July 26, 2018

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

Certified Letter #
7017 1450 0002 1691 2774

RE: TERMINATION OF LARRY SAN ANDRES UNIT
Lea County, NM

Dear Mr. Gohlke:

On July 16, 2018, we sent you a letter indicating that a second extension to comply with the terms of Section 8 of the Larry San Andres Unit Agreement was not approved.

Our records indicate the following:

- The effective date for Larry San Andres Unit Agreement was January 2, 2017.
- The initial obligation well for the unit was spud on 1/27/2016 and reached first oil production on 4/6/2017, with C-104 approval on 10/12/2017.
- The deadline for receiving a determination of production in paying quantities for the initial well or spud a second well was 4/12/2018. Wyatt Permian requested and received an extension of this date to 7/12/2018.
- Wyatt Permian requested a second extension of the deadline to 9/12/2018. This request was denied.
- To date, the initial obligation well for the unit has not received a paying quantities determination and a second well has not been spud in the unit.

Pursuant to Section 8 of the Larry San Andres Unit Agreement, the Commissioner of Public Lands has this date (July 26, 2018) terminated the Larry San Andres Unit.

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

Respectfully,


AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: NMOCD – Attn: Mr. Daniel Sanchez
SLORMD – Attn: Mr. Roddy Martinez
SLO Well Designation Coordinator
Units Reader Files

UNIT TERMINATION:
LARRY SAN ANDRES UNIT

		UNIT NAME: Larry San Andres Unit				UNIT #: 300379			
		OPERATOR: NEMO Fund I, LLC				UNIT TYPE: State Exploratory			
		OGRID #: 310809							
		COUNTY: Lea		Termination Reason:		Lack of Production			
SLO TERMINATION APPROVAL DATE		TERMINATION EFFECTIVE DATE		TOTAL ACREAGE		STATE		FEDERAL	
						INDIAN		FEE	
7/16/2018		7/16/2018		5,594.98		3835.54		0.00	
								1759.44	
								Strict	
TOWNSHIP:		RANGE:		SECTION:		DESCRIPTION			
10S		37E		4		1,2,S2,S2NE4			
				6		ALL			
				7		ALL			
				8		ALL			
				9		ALL			
				17		ALL			
				18		ALL			
				19		ALL			
				30		ALL			