



OCT 16 2018 AM 10:42

Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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Chevron North America Exploration
ATTN: Mr. Chris Cooper
1400 Smith St.
Houston, TX 77002

9/18/2018

RE: Final Approval of Unit Agreement
Cicada Unit
Eddy County, New Mexico

Dear Mr. Cooper:

This office received your letter of 9/7/2018 in which Chevron requested final approval for the Cicada Unit, Eddy County, New Mexico.

The New Mexico State Land Office has this date granted final approval for the Cicada Unit Agreement. State Land Office approval is subject to like approval by the New Mexico Oil Conservation Division.

- The unit agreement becomes effective on 5/1/2018.
- Your filing fee of \$1000 has been received.
- Enclosed are five (5) Certificates of Approval.
- Please note the attached checklist to assist in completing the NM State Land Office requirements for this unit.

If you have any questions or if we may be of further assistance, please contact acting Units Manager Niranjn Khalsa at 505.827.6628 or nkhalsa@slo.state.nm.us.

Respectfully,


AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/nk

cc: NMOCD – Attn: Senior Engineer
RMD – Attn: Mr. Roddy Martinez
OGMD and Units Reader Files

NM State Land Office Post-Approval Checklist
For Cicada Unit

- ☐ Within 6 months of the effective date of the unit, the second well must be spud since there will not yet be a commercial determination for the obligation well at that time.
- ☐ Name all unit wells as "Cicada Unit" wells.

After 6 months from first production of the initial well, submit to the Land Commissioner

- A "paying quantities" determination request.
- A unit plan of development.

Plans of development should include

1. A section that outlines ongoing development and/or maintenance in 2019 (address new drilling, recompletions, workovers, P&As, and any other activities that may impact production);
 2. An aerial photo (preferred) or map that illustrates both current and planned infrastructure for the unit: well locations, tank batteries, gathering systems, and any other facilities that may impact the surface of New Mexico State Trust lands;
 3. A list of active wells in the unit with their API numbers; and
 4. Any additional information that may have relevance to our approval of the Plan.
- File subsequent plans of development on a calendar year basis not later than March 1 each year.