

Brooks, David K., EMNRD

From: J. Scott Hall <SHall@montand.com>
Sent: Monday, May 20, 2013 5:12 PM
To: Warnell, Terry G.; Brooks, David K., EMNRD
Cc: kpaxton@elandenergy.com
Subject: RE: Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Terry, David:
It is VO-8283-1
E/2 Sec. 20 T18S R36E
Many thanks for your help on this.

J. Scott Hall
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(505) 986-2646

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From: Warnell, Terry [<mailto:twarnell@slo.state.nm.us>]
Sent: Monday, May 20, 2013 4:09 PM
To: Brooks, David K., EMNRD
Cc: J. Scott Hall
Subject: RE: Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Not a problem David
Just need something with the Lease numbers listed and we will not cancel them

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Monday, May 20, 2013 3:23 PM
To: Warnell, Terry
Cc: J. Scott Hall (SHall@montand.com)
Subject: Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Dear Terry

We were advised at the hearing last week that this proposed statutory unit includes a State lease that expires June 1.

Last time we wanted to procrastinate one of these cases, we sent y'all a letter in the form of the attached draft, and y'all obligingly gave advance final approval.

Please advise if this letter will suffice to allow us to procrastinate for a few weeks (at least time to get the transcript) without undue harm to the applicant. If so, I will ask the Director to sign it and have it mailed, directed on the envelope to your attention.

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



May 21, 2013

Hon. Ray Powell
State Land Commissioner
310 Old Santa Fe Trail
Santa Fe, NM 87504

Re: Township 18 South, Range 36 East, NMPM, Lea County

Section 20: All
Section 28 NW/4
Section 29 N/2

Dear Commissioner Powell:

On April 4, 2013, Sundown Energy LP filed an application with the Oil Conservation Division for statutory unitization of the San Andres formation in the referenced land for oil and gas development, to be denominated the **Bobbi State Waterflood Unit**.

This application, which was assigned Case No. 14982, was heard by the undersigned, as duly appointed hearing officer for the Oil Conservation Division, on May 16, 2013. Among the exhibits admitted at the hearing was your office's preliminary approval of this unit.

We are advised that your Lease No. VO-8283-1, covering the E/2 of Section 20 of the above lands, expires June 1.

This case is presently under advisement. It is anticipated that the Director of the Oil Conservation Division will issue an order within the next several weeks.

We would appreciate your taking the necessary action to maintain this lease in force, as we expect to issue an order approving the unitization soon.

Sincerely

A handwritten signature in cursive script that reads "David K. Brooks".

David K. Brooks
Hearing Examiner

cc: J. Scott Hall
Attorney for
Sundown Energy LP