



**Aubrey Dunn**  
**COMMISSIONER**

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

October 12, 2016

Dugan Production Corp.  
709 E. Murray Dr.  
PO Box 420  
Farmington, NM 87499-0420

Attn: Mr. Kurt Fagrelus

Re: Sunflower Unit  
Unit Suspension  
San Juan County, New Mexico

Case # 15435

RECEIVED  
2016 OCT 17 PM 2:42

Dear Mr. Fagrelus:

We are in receipt of your letter of September 22, 2016 wherein you have requested a Unit Suspension while awaiting permits and approvals from the Bureau of Land Management and the Navajo Nation.

While not granting the suspension, the Commissioner of Public Lands has of this date approved a six-month extension to April 30, 2017 of the spud date for the initial well due to unavoidable delay. In addition, the Commissioner has approved a six-month extension of the lease terms with in the unit. Please contact the unit office upon receiving the required notifications and approvals.

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791 or Units Analyst Sue Keelin at 505.827.5783.

Respectfully,

  
AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

AD/sk  
cc: Reader File,  
OCD-Attention: Daniel Sanchez