

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

| COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766 | |
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310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

February 6, 2017

Coleman Oil and Gas, Inc. 6540 E Main Street PO Drawer 3337. Farmington, NM 87499

Attn: Mr. G. Chris Coleman

Re: Resignation/Designation of Successor Unit Operator

Effective January 18, 2017

· Pinon Unit

San Juan County, New Mexico

Dear Mr. Coleman:

We have received the resignation/designation of unit operator dated January 18, 2017, in which Encana Oil & Gas (USA) Inc. resigned as unit operator of the Pinon Unit and designated Coleman Oil and Gas, Inc. as the successor unit operator.

The Commissioner of Public Lands has approved the resignation of Encana Oil & Gas (USA) Inc. and the designation of Coleman Oil and Gas, Inc. as the successor operator of this unit.

In accordance with this approval, Coleman Oil and Gas, Inc. is now responsible for all operations at Pinon Unit and the reporting of all production from the unit effective January 18, 2017. Please provide a Plan of Development to the State Land Office by March 1 of each year.

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn . Gruebel at 505:827.5791.

AUBREY DUNN COMMISSIONER OF PUBLIC LANDS

AD/mg cc: OCD - Attn: Daniel Sanchez TRD - Attn: Ms. Judy Vigil BLM – Attn. Mr. Joe Hewitt Reader File