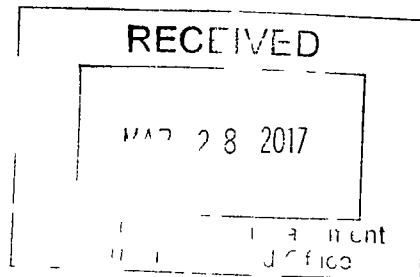


Southland Royalty Company LLC



March 21 2017

Bureau of Land Management
Attn Dave Mankiewicz
6251 College Blvd Suite A
Farmington NM 87402

Commissioner of Public Lands
State of New Mexico
P O Box 1148
Santa Fe NM 87501 1148

Oil Conservation Division
State of New Mexico
1220 S Saint Francis Drive
Santa Fe NM 87505

**RE 2017 PLAN OF DEVELOPMENT
SAN JUAN 32 5 UNIT #14 08 001 534
RIO ARriba COUNTY NEW MEXICO**

Ladies and Gentlemen

The following Participating Areas currently exist in the San Juan 32 5 Unit

<u>Formation</u>	<u>Expansion</u>	<u>Effective Date</u>
Mesaverde	8 th	12/1/1962
Dakota	6 th	11/1/1962
Fruitland Coal	10 th	11/1/2008

Pursuant to Section 10 of the San Juan 32 5 Unit Agreement dated December 4 1952 Southland Royalty Company LLC (Southland) as Unit Operator hereby submits the following program for the 2017 Plan of Development

1) 2017 Planned Recompletion

Well Name	API No	Location	Status
SAN JUAN 32 5 UNIT COM 114 FC	30 039 29790	Section 14 T32N R6W	Producing

The working interest owners will be furnished with a copy of this letter and well status listing Southland as Unit Operator shall drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary by the working interest owners or Unit Operator

The following is a comprehensive listing of San Juan 32 5 Unit wells and their current production status

Well Name	API No	Completion Type	Completion Status
SAN JUAN 32 5 UNIT 1R MV	3003926427	Gas Production	Producing
SAN JUAN 32 5 UNIT 6B MV	3003926425	Gas Production	Producing
SAN JUAN 32 5 UNIT 9B MV	3003926365	Gas Production	Producing

2017 PLAN OF DEVELOPMENT
CARRACAS CANYON UNIT #14 08 001 19596
RIO ARriba COUNTY NEW MEXICO

Well Name	API No	Completion Type	Completion Status
SAN JUAN 32 5 UNIT 14B MV	3003926428	Gas Production	Producing
SAN JUAN 32 5 UNIT 14C MV	3003926362	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 19 MV	3003926364	Gas Production	Producing
SAN JUAN 32 5 UNIT 11R MV	3003926363	Gas Production	Producing
SAN JUAN 32 5 UNIT 10B MV	3003926616	Gas Production	Producing
SAN JUAN 32 5 UNIT 9C MV	3003926636	Gas Production	Producing
SAN JUAN 32 5 UNIT 13B MV	3003926608	Gas Production	Producing
SAN JUAN 32 5 UNIT 6C MV	3003926622	Gas Production	Producing
SAN JUAN 32 5 UNIT 11B MV	3003926623	Gas Production	Producing
SAN JUAN 32 5 UNIT 111 FC	3003926637	Gas Production	Producing
SAN JUAN 32 5 UNIT 112 FC	3003926720	Gas Production	Producing
SAN JUAN 32 5 UNIT 113 FC	3003926597	Gas Production	Producing
SAN JUAN 32 5 UNIT 110 FC	3003926721	Gas Production	Producing
SAN JUAN 32 5 UNIT 12B MV	3003926900	Gas Production	Producing
SAN JUAN 32 5 UNIT 16B MV	3003926901	Gas Production	Producing
SAN JUAN 32 5 UNIT 101S FC	3003927263	Gas Production	Producing
SAN JUAN 32 5 UNIT 102S FC	3003927268	Gas Production	Producing
SAN JUAN 32 5 UNIT 103S FC	3003927269	Gas Production	Producing
SAN JUAN 32 5 UNIT 104S FC	3003927267	Gas Production	Producing
SAN JUAN 32 5 UNIT 105S FC	3003927265	Gas Production	Producing
SAN JUAN 32 5 UNIT 106S FC	3003927266	Gas Production	Producing
SAN JUAN 32 5 UNIT 107S FC	3003927407	Gas Production	Producing
SAN JUAN 32 5 UNIT 111S FC	3003927700	Gas Production	Producing
SAN JUAN 32 5 UNIT 113S FC	3003927582	Gas Production	Producing
SAN JUAN 32 5 UNIT 108S FC	3003926906	Gas Production	Producing
SAN JUAN 32 5 UNIT 100S FC	3003927270	Gas Production	Producing
SAN JUAN 32 5 UNIT COM 114 FC	3003929790	Gas Production	Producing
SAN JUAN 32 5 UNIT 116 FC	3003929987	Gas Production	Producing
SAN JUAN 32 5 UNIT 12H MV	3003930553	Gas Production	Producing
SAN JUAN 32 5 UNIT 110S FC	3003930558	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 21 MV	3003930534	Gas Production	Producing
SAN JUAN 32 5 UNIT 116S FC	3003930337	Gas Production	Producing
SAN JUAN 32 5 UNIT COM 115 FC	3003930546	Gas Production	Producing
SAN JUAN 32 5 UNIT 112S FC	3003930616	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 104 FC	3003924290	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 102 FC	3003924295	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 106 FC	3003924291	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 107 FC	3003924328	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 100 FC	3003924268	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 101 FC	3003924338	Gas Production	Producing

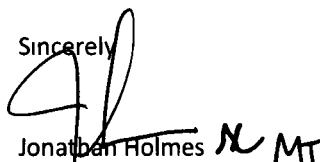
2017 PLAN OF DEVELOPMENT
CARRACAS CANYON UNIT #14 08 001 19596
RIO ARriba COUNTY NEW MEXICO

Well Name	API No	Completion Type	Completion Status
SAN JUAN 32 5 UNIT NP 103 FC	3003924269	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 105 FC	3003924270	Gas Production	Producing
SAN JUAN 32 5 UNIT NP 108 FC	3003924503	Gas Production	Producing
SAN JUAN 32 5 UNIT 18 MV	3004511434	Gas Production	Producing
SAN JUAN 32 5 UNIT 10 MV	3003907983	Gas Production	Producing
SAN JUAN 32 5 UNIT 7 MV	3003907992	Gas Production	Producing
SAN JUAN 32 5 UNIT 6 MV	3003907989	Gas Production	Producing
SAN JUAN 32 5 UNIT 4 DK	3003982394	Gas Production	Producing
SAN JUAN 32 5 UNIT 16 MV	3003907997	Gas Production	Producing
SAN JUAN 32 5 UNIT 14 MV	3003907990	Gas Production	Producing
SAN JUAN 32 5 UNIT 14 DK	3003907990	Gas Production	Producing
SAN JUAN 32 5 UNIT 15 MV	3003907988	Gas Production	Producing
SAN JUAN 32 5 UNIT 9M MV	3003925879	Gas Production	Producing
SAN JUAN 32 5 UNIT 11M DK	3003925838	Gas Production	Producing
SAN JUAN 32 5 UNIT 11M MV	3003925838	Gas Production	Producing
SAN JUAN 32 5 UNIT 13M DK	3003925878	Gas Production	Producing
SAN JUAN 32 5 UNIT 13M MV	3003925878	Gas Production	Producing
SAN JUAN 32 5 UNIT 14M DK	3003925896	Gas Production	Producing
SAN JUAN 32 5 UNIT 14M MV	3003925896	Gas Production	Producing
SAN JUAN 32 5 UNIT 17M DK	3003925882	Gas Production	Producing
SAN JUAN 32 5 UNIT 17M MV	3003925882	Gas Production	Producing
SAN JUAN 32 5 UNIT 6A MV	3003925901	Gas Production	Producing
SAN JUAN 32 5 UNIT 8R MV	3003926005	Gas Production	Producing
SAN JUAN 32 5 UNIT 9R MV	3003925999	Gas Production	Producing
SAN JUAN 32 5 UNIT 13R MV	3003926125	Gas Production	Producing
SAN JUAN 32 5 UNIT 17R DK	3003926156	Gas Production	Producing
SAN JUAN 32 5 UNIT 17R MV	3003926156	Gas Production	Producing
SAN JUAN 32 5 UNIT 12A MV	3003926157	Gas Production	Producing
SAN JUAN 32 5 UNIT 10A MV	3003926128	Gas Production	Producing

In accordance with Section 10 of the Unit Agreement please provide your approval by executing and returning a copy of the attached approval page to the undersigned

Please contact me at (817) 334 7866 with any questions regarding this letter

Sincerely,


Jonathan Holmes
Land Manager & Marketing Advisor

2017 PLAN OF DEVELOPMENT
CARRACAS CANYON UNIT #14 08 001 19596
RIO ARRIBA COUNTY NEW MEXICO

SAN JUAN 32 5 UNIT 2017 PLAN OF DEVELOPMENT

Approval of this POD
does not constitute
approval of specific APD's
DATE 4/3/17

APPROVED *Dave Mankiewicz*
Bureau of Land Management

APPROVED *Scott Davis*
Oil Conservation Division

DATE 4/7/17

APPROVED _____
Commissioner of Public Lands

DATE _____