

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

2-14186

Encana Oil & Gas (USA) Inc. ATTN: Ms. Mona Binion and Ms. Megan Gross 370 17th Street, Suite 1700 Denver, CO 80202

June 28, 2018

RE: 2018 Plan of Development CORRALES CANYON UNIT Sandoval County, NM

Dear Ms. Binion and Ms. Gross:

Your submitted 2018 Plan of Development for the Corrales Canyon Unit is not approved.

Our records reflect the following:

- The NM State Land Office approved the Corrales Canyon Unit Agreement on January 19, 2017, and the BLM approved the Agreement on December 19, 2016.
- The effective date of the Unit Agreement was April 1, 2014.
- This is an undivided unit with an existing well, the Lybrook P24 2206 #01H (renamed to Corrales Canyon Unit #101H), as the obligation well. This well was determined to be producing in paying quantities on January 11, 2017, with an effective date of May 12, 2014.
- Production from this unit currently consists of one well, the obligation well for the unit.
- Of the 2,560 acres in the unit, approximately 160 acres have been developed.
- The submitted 2018 Plan of Development does not indicate that further development is being pursued.

We will consult with the BLM about possible actions that may be taken with regard to the Corrales Canyon Unit.

If you have questions or if we may be of assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791 or mgruebel@slo.state.nm.us.

Respectfully

AUBREY DUNN

COMMISSIÓNER OF PUBLIC LANDS

AD/mg

cc: OCD – Attn: Mr. Daniel Sanchez BLM – Attn: Mr. Joe Hewitt OGMD & Units Reader Files