

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

R-14522

DGP Energy, LLC ATTN: Mr. Mark Swadener 2530 Eldorado Parkway, Suite 200 McKinney, TX 75070

April 12, 2018

RE: Final Approval of Unit Agreement Gold Wolf Unit Lea County, New Mexico

Dear Mr. Swadener:

This office has received your letter of April 10, 2018 in which DGP requested final approval for the Gold Wolf Spring Unit, Lea County, New Mexico.

The New Mexico State Land Office has this date granted final approval for the Gold Wolf Unit Agreement. State Land Office approval is subject to like approval by the New Mexico Oil Conservation Division.

- The unit agreement becomes effective on May 15, 2018.
- Your filing fee of \$200 has been received.
- Enclosed are five (5) Certificates of Approval.
- Please note the attached checklist to assist in completing the NM State Land Office requirements for this unit.

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

Respectfully, REY DUNN ASSIONER OF PUBLIC LANDS

AD/mg

cc: NMOCD – Attn: Mr. Daniel Sanchez RMD – Attn: Mr. Roddy Martinez OGMD and Units Reader Files

REVISED 4/26/2018 TO CONFORM TO UNIT AGREEMENT NM State Land Office Post-Approval Checklist For <u>Gold Wolf Unit</u>

- □ Within six (6) months 60 days after the effective date of the unit, spud the initial obligation well for the unit.
- □ Name all unit wells as "Gold Wolf Unit" wells.

After 6 months from first production of the initial well, submit to the Land Commissioner

- A "paying quantities" determination request.
- A unit plan of development.

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Plans of development should include

- 1. A section that outlines ongoing development and/or maintenance in 2019 (address new drilling, recompletions, workovers, P&As, and any other activities that may impact production);
- 2. An aerial photo (preferred) or map that illustrates both current and planned infrastructure for the unit: well locations, tank batteries, gathering systems, and any other facilities that may impact the surface of New Mexico State Trust lands;
- 3. A list of active wells in the unit with their API numbers; and
- 4. Any additional information that may have relevance to our approval of the Plan.
- File subsequent plans of development on a calendar year basis not later than March 1 each year.

NEW UNIT: REPORT TO DEPARTMENTS

| | | | UNIT NAME: OPERATOR: OGRID #: COUNTY: | Gold Wolf Uni DGP Energy, 326448 Lea | t LLC | | | UNIT #: UNIT TYPE: | 300389 SEXPL | |
|-------------------------|-------------------|--------------------|--|---|------------------|----------------|---------|-----------------------|-----------------|----------------------------|
| SLO APPROVAL DATE | EFFECTIVE DATE | OCD CASE NO. | OCD ORDER NO. | OCD APPROVAL DATE | TOTAL ACREAGE | STATE | FEDERAL | INDIAN | FEE | SEGREGATION CLAUSE TYPE |
| 4/12/2018 | 5/15/2018 | 15860 | R-14522 | 5/1/2018 | 1,115.52 | 1115.52 | 0.00 | 0 | 0.00 | Strict |
| | TOWNSHIP: | | RANGE: | | SECTION: | | | DESCRIPTIC | N | |
| | 16S 16S | | 35E 34E | | 19 24 | All E2, NW4 | | | | |
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