United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington District Office
6251 College Blvd. - Suite A
Farmington, New Mexico 87402
www.blm.gov/nm

RECEIVED OCD
2017 SEP 21 P 2:50

In Reply Refer To:
NMNM137065X
3105 (NMF0110)

September 14, 2017

PLC-378-B✓

case 15212
R-13931

Encana Oil & Gas (USA) Inc.
Attn: Mona Binion
370 17th St., Suite 1700
Denver, CO 80202

Dear Ms. Binon:

This is to acknowledge receipt of the following documents relating to the Blanco Wash Unit agreement, NMNM137065X.

1. Four (4) duplicate originals of Ratification and Joinder Agreement executed by Curtis D. Smith, Vice President-Land, Hilcorp Energy Company, covering the lessee of record in the lands described in S/2 SW/4, Sec. 5, T.24 N., R.9 W., NMPM, San Juan County, New Mexico.

2. Revised Exhibit B, reflecting the adjusted Tract Participation Factors to include Tract 7.

By virtue of the Ratification and Joinder identified under Item 1, the joinder under Tract 7 is considered fully commited to Blanco Wash Unit, effective August 18, 2017. The above listed Ratification has been approved by BLM-FFO and consented by Hilcorp Energy Company, Unit Operator.

Copies of the ratifications are being distributed to the appropriate Federal and State agencies to be filed with the official records of this case.

If you have any questions, please contact Virginia Barber at (505) 564-7754 or vbarber@blm.gov

Sincerely,

Richard Fields
Farmington Field Office Manager

Enclosures
cc: Commissioner of Public Lands, Santa Fe, NM
New Mexico Oil Conservation Division (NMOCD)
Office of Natural Resources Revenue (ONRR)
Federal Indian Minerals Office (FIMO)

SCANNED

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the **Blanco Wash Unit Area**, County of San Juan, State of New Mexico, dated **August 20, 2012**, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other overriding royalty interest owners of the contemporary Unit Agreement, the undersigned hereby expressly ratifies, approves and adopts said Unit Agreement, as fully as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interest in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, its heirs, devisees, assignees or successors in interest.

EXECUTED this 18th day of August, 2017.

Hilcorp San Juan, L.P.

By: Hilcorp Energy Company
Its General Partner
(as Successor in title to Burlington Resources Oil & Gas Company LP)

By: _____ WM

Curtis D. Smith, Vice President – Land

Address 1111 Travis Street
Houston, Texas 77002

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

This instrument was acknowledged before me on August 18, 2017, by Curtis D. Smith, Vice President – Land, of Hilcorp Energy Company, a Texas corporation, the general partner of Hilcorp San Juan, L.P., on behalf of said Delaware limited partnership.

Exhibit "B"
BLANCO WASH UNIT
Revised Mancos Formation Participating Area
San Juan County, New Mexico

Effective August 18, 2017

Unit Tract No.	Serial Number / Lease Name Type of Lease	Description of Land	Unit Tract Acres	Participating Acres	Tract Participation Factor	Working Interest Owner
FEDERAL LANDS:						
1	NMNM 002337 Federal (Committed)	Towhship 24 North, Range 8 West, NMPM Section 6 Lots 1 (41.93 NENE), 2 (41.38 NWNE), 3 (40.82 NENW), 4 (39.16 NWNW), 5 (39.29 SWNW), 6 (39.69 NWSW), S2NE, SENW, NESW, SE Section 7 N2NE Towhship 24 North, Range 9 West, NMPM Section 1 Lots 1 (39.99 NENE), 2 (39.97 NWNE), 3 (39.95 NENW), 4 (39.93 NWNW), S2N2	962.11	962.11	7.654998%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
2	NMNM 009520 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 10 SE Section 12 SW	320.00	320.00	2.546070%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
3	NMNM 010089 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 9 All	640.00	640.00	5.092140%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
4	NMNM 010755 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 10 W2NE Section 20 All	720.00	720.00	5.728657%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
5	NMNM 016759 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 5 Lots 3 (40.35 NENW), 4 (40.33 NWNW), S2NW, N2SW	240.68	240.68	1.914963%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. James B. Fullerton (RT) Encana Oil & Gas (USA) Inc.
6	NMNM 136063 Federal (Committed)	Towhship 24 North, Range 8 West, NMPM Section 7 Lots 1 (40.27 NWNW), 2 (40.26 SWNW), 3 (40.26 NWSW), 4 (40.25 SWSW), S2NE,E2W2, SE	561.04	561.04	4.463897%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
7	NMNM 023742 Federal **(Committed)**	Towhship 24 North, Range 9 West, NMPM Section 5 S2SW	80.00	**80.00**	**0.636517%**	Encana Oil & Gas (USA) Inc. Dugan Production Corp. James B. Fullerton (RT) Burlington Resources Oil & Gas LP
8	NMNM 025440 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 8 All	640.00	640.00	5.092140%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
9	NMNM 030854 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 4 SWSW Section 5 SENE, E2SE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
10	NMNM 036473 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 17 W2	320.00	320.00	2.546070%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.

Unit Tract No.	Serial Number / Lease Name Type of Lease	Description of Land	Unit Tract Acres	Participating Acres	Tract Participation Factor	Working Interest Owner
11	NMNM 036474 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 21 N2	320.00	320.00	2.546070%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
12	NMNM 041650 Federal (Committed)	Towhship 24 North, Range 8 West, NMPM Section 19 Lots 3 (40.38 NWSW), 4 (40.31 SWSW), E2SW, SE	320.69	320.69	2.551560%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
13	NMNM 045208 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 17 E2	320.00	320.00	2.546070%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
14	NMNM 063319 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 5 Lots 1 (40.39 NENE), 2 (40.37 NWNE), SWNE,W2SE	200.76	200.76	1.597341%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
15	NMNM 136062 Federal (Committed)	Towhship 24 North, Range 8 West, NMPM Section 18 E2	320.00	320.00	2.546070%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
16	NMNM 088074 Federal (Committed)	Towhship 24 North, Range 8 West, NMPM Section 19 NE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
17	NMNM 097108 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 4 Lots 3 (40.22 NENW), 4 (40.34 NWNW), S2NW4, N2SW, SESW	280.56	280.56	2.232267%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
18	NMNM 100302 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 10 E2NE, W2 Section 15 SW	560.00	560.00	4.455622%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
19	NMNM 100303 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 12 NW4, S2NE, SE	400.00	400.00	3.182587%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
20	NMNM 118136 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 11 NE Section 12 N2NE Section 14 NW Section 15 N2, SE	880.00	880.00	7.001692%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
21	NMNM 135989 Federal (Committed)	Towhship 24 North, Range 9 West, NMPM Section 13 SW Section 14 S2 Section 22 N2 Section 23 N2 Section 24 NW, S2	1,600.00	1,600.00	12.730350%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
		21 Federal Tracts totalling acres or 76.214822% of Unit Area	**10,005.84**	**10,005.84**	**79.611151%**	
STATE LANDS:						
22	B-10889 State of New Mexico (Committed)	Towhship 24 North, Range 9 West, NMPM Section 16 NWSE	40.00	40.00	0.318259%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Koch Industries, Inc. (RT) QEP Energy Company

Unit Tract No.	Serial Number / Lease Name Type of Lease	Description of Land	Unit Tract Acres	Participating Acres	Tract Participation Factor	Working Interest Owner
23	E-6644 State of New Mexico (Uncommitted)	Towhship 24 North, Range 9 West, NMPM Section 16 N2	320.00	0.00	0.000000%	Kaiser Francis Oil Company (RT) Kaiser Francis Oil Company
24	V-7918 State of New Mexico (Committed)	Towhship 24 North, Range 9 West, NMPM Section 16 NESE, N2SW, SESW, SWSE	200.00	200.00	1.591294%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
25	V-8941 State of New Mexico (Committed)	Towhship 24 North, Range 9 West, NMPM Section 16 SESE, SWSW	80.00	80.00	0.636517%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
		4 State Tracts totalling acres or 4.874902% of Unit Area	**640.00**	**320.00**	**2.546070%**	
PATENTED LANDS:						
26	Charles R. Wiggins, et al (Patented) (Uncommitted)	Towhship 24 North, Range 8 West, NMPM Section 6 Lots 7 (40.08 SWSW), SESW Towhship 24 North, Range 9 West, NMPM Section 1 SE	240.08	0.00	0.000000%	Encana Oil & Gas (USA) Inc. Unleased
		1 Patented Tract totalling acres or 1.828697% of Unit Area	**240.08**	**-**	**0.000000%**	
NAVAJO ALLOTTED LANDS:						
27	BIA 1420-0603-1402 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 1 SW	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
28	BIA 1420-0603-1404 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 2 SE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
29	BIA 1420-0603-1405 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 2 Lots 1 (39.97 NENE), 2 (40.07 NWNE), S2NE	160.04	160.04	1.273353%	Encana Oil & Gas (USA) Inc. Dugan Production Corp. (RT) Dugan Production Corp.
30	BIA N0-G-1401-1833 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 11 SW	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
31	BIA N0-G-1401-1835 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 13 NW	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
32	BIA N0-G-1402-1904 Navajo Allotted (Committed)	Towhship 24 North, Range 8 West, NMPM Section 18 Lots 1 (40.28 NWNW), 2 (40.35 SWNW), E2NW	160.63	160.63	1.278048%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
33	BIA N0-G-1402-1906 Navajo Allotted (Committed)	Towhship 24 North, Range 8 West, NMPM Section 19 Lots 1 (40.51 NWNW), 2 (40.44 SWNW), E2NW	160.95	160.95	1.280594%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
34	BIA N0-G-1403-1909 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 11 NW	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.

Unit Tract No.	Serial Number / Lease Name Type of Lease	Description of Land	Unit Tract Acres	Participating Acres	Tract Participation Factor	Working Interest Owner
35	BIA N0-G-1403-1911 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 13 NE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
36	BIA N0-G-1403-1914 Navajo Allotted (Committed)	Towhship 24 North, Range 8 West, NMPM Section 18 Lots 3 (NWSW 40.43), 4 (SWSW 40.50), E2SW	160.93	160.93	1.280434%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
37	BIA N0-G-1403-1940 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 24 NE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
38	BIA N0-G-1403-1947 Navajo Allotted (Committed) Richard P. Rodriguez (Patented) (Committed) Orlando Rivera (Patented) (Committed)	Towhship 24 North, Range 9 West, NMPM Section 11 SE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc. Encana Oil & Gas (USA) Inc. Encana Oil & Gas (USA) Inc.
39	BIA N0-G-1403-1952 Navajo Allotted (Committed) Richard P. Rodriguez (Patented) (Committed) Orlando Rivera (Patented) (Committed)	Towhship 24 North, Range 9 West, NMPM Section 14 NE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc. Encana Oil & Gas (USA) Inc. Encana Oil & Gas (USA) Inc.
40	BIA N0-G-1404-1969 Navajo Allotted (Committed)	Towhship 24 North, Range 9 West, NMPM Section 13 SE	160.00	160.00	1.273035%	Encana Oil & Gas (USA) Inc. (RT) Encana Oil & Gas (USA) Inc.
		14 Allotted Tracts totalling acres or 17.081579% of Unit Area	**2,242.55**	**2,242.55**	**17.842779%**	
		Total Unit Acres	**13,128.47**	**12,568.39**	**100.000000%**	

Blanco Wash Unit Participating Area Recap

Lease Type	Participating Acres	Percentage of Participation
Federal	10,005.84	79.611151%
State	320.00	2.546070%
Patented	-	0.000000%
Navajo Allotted	2,242.55	17.842779%
Total Participating Unit Acres	12,568.39	100.000000%