

30-025-34169



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

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www.nmstatelands.org

Devon Energy Corporation
ATTN: Ms. Cari Allen
333 W. Sheridan Ave.
Oklahoma City, OK 73102-5010

June 6, 2017

RE: 2017 Plan of Development
Outland Unit
Lea County, NM

Dear Ms. Allen:

The New Mexico Commissioner of Public Lands has this date approved the referenced Plan of Development. Our approval is subject to like approval by all relevant agencies. We may contact you at a later date regarding the following:

- The possibility of drainage by wells outside the unit area, and
- A need for further development of the unit.

In addition, we have noted that production for this unit has been progressively declining over the past five years. This decline concerns us. In the approval letter for the Outland Unit 2016 Plan of Development we requested a review of the Bone Spring horizontal potential with the idea that unit production could be improved. This request was not fulfilled in the 2017 Plan of Development.

We again request an evaluation of the Bone Spring horizontal potential for Outland Unit, as well as other considerations for improving unit production. We suggest this be submitted as a supplement to the 2017 Plan of Development.

Your 2018 Plan of Development should include (1) a continuing evaluation of the possibility of additional resource production within the unit, and (2) a map that illustrates both current and planned unit infrastructure: well locations, tank batteries, gathering systems, and any other facilities that may impact the surface of New Mexico State Trust lands.

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

Respectfully,

A handwritten signature in black ink, appearing to read "Aubrey Dunn", is written over the typed name and title.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: **OCD – Daniel Sanchez**

BLM – Chris Walls

Units and OGMD Reader Files

Forty Acres Energy, LLC
May 31, 2017
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3. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and contain original signatures.
4. Approval order from the New Mexico Oil Conservation Division. State Land Office approval is conditioned upon approval by the New Mexico Oil Conservation Division.
5. One copy of the Unit Operating Agreement (if applicable).
6. A \$1,500 filing fee. The filing fee is \$100 for each section or partial section included in the unit, whether federal, state, or privately owned.

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

Respectfully,



AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mmg

cc: NMOCD, Attn: Mr. Daniel Sanchez
TRD, Attn: Ms. Judy Vigil
RMD, Attn: Mr. Danny Martinez
BLM, Attn: Mr. Chris Walls
OGMD and Units Reader Files