

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

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Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

Legacy Reserves

ATTN: Mr. D. Patrick Darden

PO Box 10848

Midland, TX 79702

August 7, 2018

Re:

Lea Unit

Paying Well Determination

Lea Unit #59H

Bone Spring Formation

Lea County, NM

Dear Mr. Darden:

We are in receipt of Legacy Reserves' letter of January 18, 2018, and accompanying data for determining production in paying quantities for the above referenced well. We have also received the Bureau of Land Management's letter dated June 20, 2018, in which the BLM determined the above referenced well as commercial for the Lea Unit.

Please be advised that the New Mexico State Land Office concurs with the BLM that the referenced well is capable of producing unitized substances in paying quantities from the Bone Spring Formation:

Well Name & Number	Location	Pool/Formation	Completion Date	NM State Land Office Determination
Lea Unit #59H API # 30-025-43035	19-20S-35E	WC-025 G-08 S203506D; Bone Spring (97983) Lea; Bone Spring, South (37580)	6/13/2017	Commercial

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

Respectfully,

AUDREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/mg

OCD -Attn: Mr. Daniel Sanchez SLO RMD - Attn: Mr. Roddy Martinez BLM Field Office - Attn: Mr. Chris Walls SLO OGMD Well Designation Coordinator Units Reader Files