



**MONTGOMERY
& ANDREWS**
LAW FIRM

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RECEIVED OCD
2013 SEP 10 P 3:19

September 10, 2013

Mr. David Brooks
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87501

Hand-Delivered

Order R-13731, Ordering #4

Re: NMOCD Case No. 14982: Application of Sundown Energy LP for Statutory Unitization, Lea County, New Mexico

Re: NMOCD Case No. 14983: Application of Sundown Energy LP for Authorization to Inject for Waterflood Project Operations, Lea County, New Mexico

Dear Mr. Brooks:

As requested, enclosed is a copy of an affidavit and attachments setting forth the interest owners who have ratified the Bobbi State Waterflood Unit. We will send the original of the affidavit as soon as we receive it here.

If anything more is needed, please let me know.

Thank you.

Very truly yours,

J. Scott Hall

Enclosure

cc: Kyle Paxton, Eland Energy

500549

REPLY TO:

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Santa Fe, New Mexico 87501
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**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF SUNDOWN ENERGY LP FOR
STATUTORY UNITIZATION, LEA COUNTY, NEW
MEXICO**

Case No. 14982

And

**APPLICATION OF SUNDOWN ENERGY LP FOR
AUTHORIZATION TO INJECT FOR
WATERFLOOD OPERATIONS, LEA COUNTY,
NEW MEXICO**

Case No. 14983

AFFIDAVIT OF KYLE A. PAXTON

STATE OF TEXAS)
) ss.
COUNTY OF DALLAS)

KYLE A. PAXTON, being duly sworn, states:

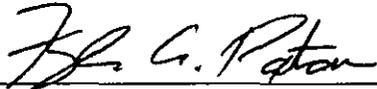
I am the age of majority and am otherwise competent to testify to the matters set forth herein of which I have personal knowledge.

I am Landman for Fortune Natural Resources Corporation and its subsidiary, Sundown Energy L.P. in their Dallas, Texas office. Among other areas, I am familiar with and am responsible for the company's land matters in the vicinity of Township 18 South, Range 36 East, NMPM in Lea County, New Mexico. I am familiar with the lands that comprise the Bobbi State Waterflood Unit which is the subject of Sundown's Applications in these cases.

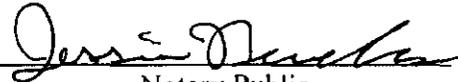
The attached table accurately sets forth the identities of the owners of working interests who have elected to participate in the Bobbi State Waterflood Unit, along with the owners of non-cost bearing interests who have ratified the unit and the quantum of interest owned by each.

{00499854-1}

FURTHER AFFIANT SAYETH NOT.


KYLE A. PAXTON

Subscribed, sworn to and acknowledged before me on this 10th day of
September, 2013, by Kyle A. Paxton.


Notary Public

My commission expires:



Unit Tract No.	Tract 1	Tract 2	Tract 3	Tract 4	Tract 5	Tract 6	Tract 7	Tract 8	Tract 9	Tract 10	Tract 11	Tract 12	Tract 13	Tract 14	Tract 15	Tract 16	Tract 17	Tract 18	Tract 19	Tract 20	Tract 21
Participation by Tract																					
Tract Participation Factor:	0.05357143	0.00892857	0.00892857	0.13972957	0.00892857	0.04736739	0.00892857	0.05813176	0.00892857	0.16001447	0.07398855	0.00892857	0.13954063	0.11709552	0.00892857	0.00892857	0.00892857	0.00892857	0.00892857	0.02678571	0.08556069
Non Cost Bearing Owners																					
Ownership per Tract																					
Elected to Ratify Unit																					
1 Kirby Minerals	X	0.02925000	0.02925000	0.02925000	0.02925000		0.02925000	0.02925000	0.02925000	0.02925000											
2 Gene F. Lang	X	0.00162500	0.00162500	0.00162500	0.00162500		0.00162500	0.00162500	0.00162500	0.00162500											
3 Mumford & Company	X												0.02083333								
4 David T. Holt	X	0.00162500	0.00162500	0.00162500	0.00162500		0.00162500	0.00162500	0.00162500	0.00162500											
5 E.L.Latham & Co.	X												0.04166667								
6 Burnett Partners	X	0.00500000	0.00500000	0.00500000	0.00500000		0.00500000	0.00500000	0.00500000	0.00500000											
7 McCay Living Trust	X			0.00175000			0.00175000	0.00175000	0.00175000	0.00175000											
8 Blue Hole Investments	X												0.02083333								
9 Kenneth H. Griffin	X	0.00500000	0.00500000	0.00500000	0.00500000		0.00500000	0.00500000	0.00500000	0.00500000											
10 VJ Callaway	X												0.02083333								
11 Lynx Petroleum	X			0.01825000			0.01825000	0.01825000	0.01825000	0.01825000											
12 CBF Company A1/A2	X												0.02083334								
13 Viersen Oil & Gas	X	0.05333333				0.05333333					0.05333333										
14 Crescent Porter Hale	X											0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000
15 Fortune Natural Resources Corporation	X		0.02500000	0.02500000	0.05000000	0.02500000		0.08250000	0.08250000	0.08250000	0.08250000										
16 State of New Mexico	X	0.16666667	0.12500000	0.12500000	0.12500000	0.12500000	0.16666667	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.12500000	0.18750000	0.18750000
Total Non Cost Bearing Interest for Bobbi Waterflood Unit																					
0.25660638																					

1 0.01177387
 2 0.00694092
 3 0.00290710
 4 0.00694092
 5 0.00581415
 6 0.00201259
 7 0.00695753
 8 0.00290710
 9 0.00201259
 10 0.00290710
 11 0.00695713
 12 0.00290710
 13 0.00932946
 14 0.03877585
 15 0.02712840
 16 0.13933029

Ratified

0.2354971 = 91.78%

