



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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RECEIVED
JAN 24 P 2:10

January 3, 2017

Xeric Oil & Gas Corporation
14781 Memorial Drive, Ste. 1754
Houston, TX 77079

Attn: Ms. Victoria Hirschfeld

Re: Termination Notice
West Pearl Queen Unit Agreement
Lea County, New Mexico

Dear Ms. Hirschfeld:

Our records reflect that Xeric Oil & Gas Corporation is the Operator of Record for the West Pearl Queen Unit area, Lea County, New Mexico.

Our records reflect the following:

- The West Pearl Queen Unit Agreement was approved effective August 1, 1964.
- The date of last production from this unit was August 2010.
- Section 24 of the Unit Agreement titled "Term" states the following: "The term of this agreement shall be for the time that Unitized Substances are produced in paying quantities and as long thereafter as Unit Operations are conducted without a cessation of more than one hundred eighty (180) consecutive days, unless sooner terminated by Working Interest Owners in the manner herein provided."

Pursuant to Section 24 of the Unit Agreement, please be advised that the Commissioner of Public Lands has this date (January 3, 2017) terminated the West Pearl Queen Unit Agreement.

Please notify all interested parties of this action.

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 "A. Dunn", is written over the printed name and title.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: Reader Files
NMOCD Attn: Mr. Daniel Sanchez
TRD-Attn: Ms. Billie Luther
RMD-Attn: Mr. Danny Martinez
BLM-Attn: Mr. Chris Walls

TERMINATED DUE TO LACK OF PRODUCTION										
UNIT NAME:		West Pearl Queen Unit			UNIT #:		300214			
OPERATOR:		Xeric Oil & Gas Corp			UNIT TYPE:		Federal Waterflood			
OGRID #:		25482								
COUNTY:		Lea								
SLO APPROVAL DATE	EFFECTIVE DATE	OCD CASE NO.	OCD ORDER NO.	OCD APPROVAL DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN	FEE	SEGREGATION CLAUSE TYPE
1/3/2017	1/3/2017				2520.00	2320.00	120.00		80.00	E
TOWNSHIP:		19S		RANGE:	35E	SECTION:	DESCRIPTION			
						20	SW4SE4			
						21	SW4SW4			
						28	SE4SE4			
						28	W2			
						28	W2SE4			
						29	ALL			
						30	NE4SE4			
						30	SE4NE4			
						30	S2SE4			
						31	E2NW4			
						31	NE4			
						31	NE4SW4			
						31	N2SE4			
						32	NW4SE4			
						32	N2			
						32	N2SW4			
						33	N2			
						33	N2SE4			