



**Aubrey Dunn**  
**COMMISSIONER**

**State of New Mexico**  
**Commissioner of Public Lands**

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August 27, 2018

Enduring Resources  
ATTN: Mr. Alex Campbell  
1050 Seventeenth Street, Suite 2500  
Denver, CO 80265

Re: Preliminary Approval  
Lone Mesa Unit  
San Juan County, New Mexico

Dear Mr. Campbell:

We have received the unexecuted copy of the unit agreement that you submitted for the proposed Lone Mesa Unit area, San Juan County, New Mexico. This agreement meets the general requirements of the New Mexico State Land Office, and you have this date been granted preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short-term leases until final approval and an effective date have been given.

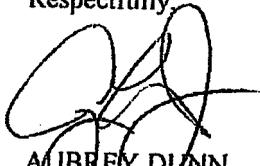
When submitting your agreement for final approval, please include the following:

1. Application for final approval setting forth the tracts that have been committed and the tracts that have not been committed.
2. Pursuant to Rule 19.2.100.51, a statement of facts showing that:
  - a. The agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy.
  - b. Under the proposed unit operation, the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas in place under its lands in the proposed unit area.
  - c. Each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the unit area.
  - d. The unit agreement is in other respects for the best interest of the Trust.

3. All ratifications from the Lessees of Record and Working Interest Owners. The documents must contain original signatures that are acknowledged by a notary.
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. Final approval letter from the Bureau of Land Management.
6. One copy of the Unit Operating Agreement (if applicable).
7. A \$900 total 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 or [mgruebel@slo.state.nm.us](mailto:mgruebel@slo.state.nm.us).

Respectfully,



AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: NMOCD – Attn: Mr. Daniel Sanchez  
RMD – Attn: Mr. Roddy Martinez  
BLM – Attn: Mr. Joe Hewitt  
Units Reader Files