

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

Hilcorp Energy Company ATTN: Mr. Gregory Hoffman 1111 Travis Street Houston, TX 77002

December 13, 2017

Re:

Resignation/Designation of Successor Unit Operator

Effective August 1, 2017 San Juan 32-7 Unit San Juan County, NM

Dear Mr. Hoffman:

We have received notification concerning the Resignation of Unit Operator and Designation of Successor Unit Operator for the above referenced unit.

We hereby approve the resignation of ConocoPhillips Company as the unit operator for the San Juan 32-7 Unit and the designation of Hilcorp Energy Company as the successor operator of this unit. In accordance with this approval, Hilcorp Energy Company is now responsible for conducting all operations in compliance with the San Juan 32-7 Unit Agreement effective August 1, 2017.

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/mg

cc: OCD - Attn: Daniel Sanchez

BLM – Attn: Joe Hewitt

RMD – Attn: Roddy Martinez OGMD and Units Reader Files