

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

Certified Letter #

7015 0640 0003 4824 3636

COMMISSIONER'S OFFICE

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

MCBU Business Unit Chevron U.S.A. Inc. ATTN: Mr. Tyler Yancey 6301 Deauville Blvd. Midland, TX 79706

February 1, 2018

RE: 2017 Plan of Development and Operation LITTLE EDDY UNIT Eddy County, NM

Dear Mr. Yancey:

The New Mexico State Land Office has this date approved the referenced Plan of Development with the following condition(s):

• progress in development of Brushy Canyon resources in the unit.

Your 2018 Plan of Development and Operation must address the above 2017 condition(s) and include:

- a summary of the status of the development of the unit area and the development contemplated for the current year;
- a listing of the status of all wells (both active and inactive) in the unit; and
- a map or photo that illustrates both current and planned infrastructure for the unit: well locations, tank batteries, gathering systems, and any other facilities that may impact the surface of New Mexico State Trust lands.

This Plan of Development and Operation is due by March 1, 2018. If you do not provide a plan addressing the condition(s) and including the requested information, we will confer with the Bureau of Land Management about recourse from both agencies.

If you require additional information, please contact Units Manager Marilyn Gruebel at 505.827.5791.

Respectfully,

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: OCD – Daniel Sanchez BLM – Chris Walls

SLO Legal

OGMD and Units Reader Files