

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

COMMISSIONER'S OFFICE

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R-7743

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

Juniper Resources ATTN: Mr. Matt Strickler 3624 Oak Lawn Ave, Suite 222 Dallas, TX 75219

September 13, 2017

RE: Pinon Unit

San Juan County, New Mexico Addition of Pinon Unit 307H (API#30-045-35442) (previously Good Times L10 2410) to Unit Agreement

Dear Mr. Strickler:

We are in receipt of your letter of August 31, 2017 in which you requested the addition of Pinon Unit 307H (API#30-045-35442) (previously Good Times L10 2410) to the Pinon Unit Agreement.

The Pinon Unit was formed by Encana and received approval from the New Mexico State Land Office on October 24, 2014, which is also the effective date for the unit agreement. The original unit agreement specifically excluded the Good Times L10 2410 well from the unit because the well pre-dated unit formation and its inclusion would have complicated allocation accounting. However, we understand that Juniper Resources took over operations of Pinon Unit in March 2017 and that you now request addition of the well to the unit agreement. Your plans for the unit indicate that including the well will optimize unit development by removing the setback rules that are currently related to the well's lease boundaries.

We have received a Sundry Notice from the Bureau of Land Management as approval for this transaction. The Federal Indian Minerals Office provided an approval letter.

We have examined your included documentation and agree that there is ample reason to include the well in the unit. We therefore cancel the exclusion of Pinon Unit 307H (API#30-045-35442) (previously Good Times L10 2410) from the Pinon Unit Agreement. Based on your request, Pinon Unit 307H is added to the Pinon Unit Agreement effective August 1, 2017.

Our approval is subject to like approval by all relevant agencies.

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791.

Respect AUBREY DUNN COMMISSIONER OF PUBLIC LANDS AD/mg OCD – Attn: Mr. Daniel Sanchez

OCD – Attn: Mr. Daniel Sanchez BLM, Carlsbad – Attn: Mr. Chris Walls RMD – Attn: Mr. Roddy Martinez OGMD and Units Reader Files