

Aubrey Dunn COMMISSIONER

20 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

(nop #4)?

June 9, 2016

Mewbourne Oil Company 500 W Texas, Suite 1020 Midland, TX 79701

Attention: Mr. Lee Scarborough

Re: Forty-Niner Ridge Unit

Forty-Niner Ridge Unit #103H (3001542708) Forty-Niner Ridge Unit #104H (3001542707)

Commercial Well Determinations

Bone Spring Formation Eddy County, New Mexico

2016

Dear Mr. Scarborough:

We are in receipt of your letter of July 31, 2015 together with the commercial determination data for the Forty-Niner Ridge Unit #103H (30015424708) and Forty-Niner Ridge Unit #104H (3001542707) wells located in Eddy County.

Please be advised that the Commissioner of Public Lands concurs with your determination that the Forty-Niner Ridge Unit #103H (30015424708) and Forty-Niner Ridge Unit #104H (3001542707) are commercial wells in the Bone Spring formation and are entitled to participate in the Bone Spring Participating Area. This concurrence is subject to like approval by the Bureau of Land Management.

Please submit an application for the appropriate expansion of the Bone Spring Participating Area to this office for approval.

If you have any questions, or if we may be of further help, please contact Sue Keelin at (505) 827-5783.

Respectfully,

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/sk

cc: Reader File,

OCD-Attention: Mr. Daniel Sanchez

BLM Carlsbad Ed Fernandez

TRD-Santa Fe, Attention: Ms. Judy Vigil