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**Aubrey Dunn** COMMISSIONER

State of New Mexico 30 9 3 10 COMMISSIONER'S OFFICE Commissioner of Public Lands

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

June 10, 2016

ConocoPhillips Company San Juan Business Unit 3401 E. 30th St. Farmington, NM87402

Attention: Ms. Yvonne Scott

Re: Canyon Largo Unit Canyon Largo Unit #2H API 30-039-31239 Gallup Formation Rio Arriba County, New Mexico

Dear Ms. Scott:

We are in receipt of your letter of February 10, 2016 together with the non-commercial determination data for the above referenced well.

The Bureau of Land Management, advised this office that they concur with your determination that the Canyon Largo Unit #2H is not capable of producing unitized substances in paying quantities from the Gallup Formation and is to be produced on a lease basis.

Please be advised that the Commissioner of Public Lands concurs with yours and the Bureau of Land Management's determinations that the Canyon Largo Unit #2H is a non-commercial Gallup formation well and should be produced on a lease or communitization basis.

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

Very truls

AUBREY DUNN COMMISSIONER OF PUBLIC LANDS

AD/sk cc: Reader File, OCD-Attn: Mr. Daniel Sanchez J TRD-Santa Fe, Attn: Ms. Judy Vigil BLM Carlsbad - Attn: Mr. Ed Fernandez

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