

**Brooks, David K., EMNRD**

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**From:** J. Scott Hall <SHall@montand.com>  
**Sent:** Monday, May 20, 2013 5:12 PM  
**To:** Warnell, Terry G.; Brooks, David K., EMNRD  
**Cc:** kpaxton@elandenergy.com  
**Subject:** RE: Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Terry, David:  
It is VO-8283-1  
E/2 Sec. 20 T18S R36E  
Many thanks for your help on this.

J. Scott Hall  
Montgomery & Andrews, P.A.  
P. O. Box 2307  
Santa Fe, NM 87504-2307  
[shall@montand.com](mailto:shall@montand.com)  
(505) 986-2646

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**From:** Warnell, Terry [<mailto:twarnell@slo.state.nm.us>]  
**Sent:** Monday, May 20, 2013 4:09 PM  
**To:** Brooks, David K., EMNRD  
**Cc:** J. Scott Hall  
**Subject:** RE: Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Not a problem David  
Just need something with the Lease numbers listed and we will not cancel them

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**From:** Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]  
**Sent:** Monday, May 20, 2013 3:23 PM  
**To:** Warnell, Terry  
**Cc:** J. Scott Hall ([SHall@montand.com](mailto:SHall@montand.com))  
**Subject:** Cases 14982 and 14983 - Application for Statutory Unitization, etc.

Dear Terry

We were advised at the hearing last week that this proposed statutory unit includes a State lease that expires June 1.

Last time we wanted to procrastinate one of these cases, we sent y'all a letter in the form of the attached draft, and y'all obligingly gave advance final approval.

Please advise if this letter will suffice to allow us to procrastinate for a few weeks (at least time to get the transcript) without undue harm to the applicant. If so, I will ask the Director to sign it and have it mailed, directed on the envelope to your attention.

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



May 21, 2013

Hon. Ray Powell  
State Land Commissioner  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

**Re: Township 18 South, Range 36 East, NMPM, Lea County**

Section 20: All  
Section 28 NW/4  
Section 29 N/2

Dear Commissioner Powell:

On April 4, 2013, Sundown Energy LP filed an application with the Oil Conservation Division for statutory unitization of the San Andres formation in the referenced land for oil and gas development, to be denominated the **Bobbi State Waterflood Unit**.

This application, which was assigned Case No. 14982, was heard by the undersigned, as duly appointed hearing officer for the Oil Conservation Division, on May 16, 2013. Among the exhibits admitted at the hearing was your office's preliminary approval of this unit.

We are advised that your Lease No. VO-8283-1, covering the E/2 of Section 20 of the above lands, expires June 1.

This case is presently under advisement. It is anticipated that the Director of the Oil Conservation Division will issue an order within the next several weeks.

We would appreciate your taking the necessary action to maintain this lease in force, as we expect to issue an order approving the unitization soon.

Sincerely

A handwritten signature in cursive script that reads "David K. Brooks".

David K. Brooks  
Hearing Examiner

cc: J. Scott Hall  
Attorney for  
Sundown Energy LP