

State of New Mexico

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**COMMISSIONER'S OFFICE** 

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

May 4, 2016

Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002

Case 2960

Attn: Mr. William N. Phillips

Re: North Wilson Deep Unit Rejection of 2016 Plan of Development Lea County, New Mexico

Dear Mr. Phillips:

We received your letter of March 28, 2016 together with your 2016 plan of development for the North Wilson Deep Unit agreement, Lea County, New Mexico. Your plan as proposed, is to study the Bone Spring horizontal play.

Please be advised that your 2016 plan of development for the North Wilson Deep Unit as submitted is unacceptable. Production from this unit is minimal. We are again requesting that Chevron USA Inc. submit an acceptable plan of development for 2016 that provides for the further development of the Bone Spring and Wolfcamp formations for this unit area.

If you have any questions, or if we may be of further help, please contact Patrick Padilla at (505) 827-4489.

Respectfully

AUBREY DUNN

AD/pm cc: Reader File, NMOCD Attention: Mr. Daniel Sanchez

Aubrey Dunn COMMISSIONER