



**Aubrey Dunn**  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

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RECEIVED  
JAN 24 P 2:10

January 3, 2017

Xeric Oil & Gas Corporation  
14781 Memorial Drive, Ste. 1754  
Houston, TX 77079

Attn: Ms. Victoria Hirschfeld

Re: Termination Notice  
West Pearl Queen Unit Agreement  
Lea County, New Mexico

Dear Ms. Hirschfeld:

Our records reflect that Xeric Oil & Gas Corporation is the Operator of Record for the West Pearl Queen Unit area, Lea County, New Mexico.

Our records reflect the following:

- The West Pearl Queen Unit Agreement was approved effective August 1, 1964.
- The date of last production from this unit was August 2010.
- Section 24 of the Unit Agreement titled "Term" states the following: "The term of this agreement shall be for the time that Unitized Substances are produced in paying quantities and as long thereafter as Unit Operations are conducted without a cessation of more than one hundred eighty (180) consecutive days, unless sooner terminated by Working Interest Owners in the manner herein provided."

Pursuant to Section 24 of the Unit Agreement, please be advised that the Commissioner of Public Lands has this date (January 3, 2017) terminated the West Pearl Queen Unit Agreement.

Please notify all interested parties of this action.

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

Respectfully,

AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

AD/mg

- cc: Reader Files  
 NMOCD Attn: Mr. Daniel Sanchez  
 TRD-Attn: Ms. Billie Luther  
 RMD-Attn: Mr. Danny Martinez  
 BLM-Attn: Mr. Chris Walls

TERMINATED DUE TO LACK OF PRODUCTION										
		UNIT NAME:		West Pearl Queen Unit			UNIT #:		300214	
		OPERATOR:		Xeric Oil & Gas Corp			UNIT TYPE:		Federal Waterflood	
		OGRID #:		25482						
		COUNTY:		Lea						
SLO APPROVAL DATE	EFFECTIVE DATE	OCD CASE NO.	OCD ORDER NO.	OCD APPROVAL DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN	FEE	SEGREGATION CLAUSE TYPE
1/3/2017	1/3/2017				2520.00	2320.00	120.00		80.00	E
TOWNSHIP:		RANGE:		SECTION:		DESCRIPTION				
	19S		35E	20	SW4SE4					
				21	SW4SW4					
				28	SE4SE4					
				28	W2					
				28	W2SE4					
				29	ALL					
				30	NE4SE4					
				30	SE4NE4					
				30	S2SE4					
				31	E2NW4					
				31	NE4					
				31	NE4SW4					
				31	N2SE4					
				32	NW4SE4					
				32	N2					
				32	N2SW4					
				33	N2					
				33	N2SE4					