



**Aubrey Dunn**  
COMMISSIONER

*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](http://www.nmstatelands.org)

April 18, 2017

Dugan Production Corp.  
709 E. Murray Dr.  
PO Box 420  
Farmington, NM 87499-0420

Attn: Mr. Kurt Fagrelus

Re: Sunflower Unit  
Request for Unit Suspension  
San Juan County, New Mexico

Dear Mr. Fagrelus:

We are in receipt of your letter of April 10, 2017 in which you requested a Unit Suspension while awaiting permits and approvals from the Bureau of Land Management and the Navajo Nation.

While not granting the suspension, the Commissioner of Public Lands has of this date approved a six-month extension to October 30, 2017 of the spud date for the initial well due to unavoidable delay. In addition, the Commissioner has approved a six-month extension of the lease terms for State Trust lands within the unit. Please contact the Units office upon receiving the required notifications and approvals.

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

Respectfully,

A handwritten signature in black ink, appearing to read "Aubrey Dunn", is written over the typed name and title.

AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: **OCD – Mr. Daniel Sanchez**  
SLO Lease Manager  
OGMD and Units Reader Files

2017 APR 18 10:51 AM  
RECEIVED  
OFFICE OF THE COMMISSIONER OF PUBLIC LANDS  
SANTA FE, NEW MEXICO