



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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May 14, 2018

Nick Holbrook
POGO Oil and Gas Operating, Inc.
1515 Calle Sur
Suite 174
Hobbs, NM 88240

HOBBS OCD

MAY 29 2018

RECEIVED

Re: NM Land Office Salt Water Disposal Easement SW-334-1
NM BH State #4, API 30-025-00110

Dear Mr. Holbrook,

Enclosed is your approved signed copy of the captioned salt water disposal easement. This approval is based upon Pogo Oil and Gas Operating, Inc. establishing proof of mechanical integrity for the well at the NM Oil Conservation Division no later than June 30, 2018, and providing us with evidence of continued authority to inject issued by the OCD. The annual rental for this easement of \$10,000.00 will be due on or before the 15th day of each January anniversary date for each year in which this Easement is in effect. The disposal charge is \$0.05 per barrel for all volumes injected.

Also POGO must submit the \$100,000 Reclamation surety bond within 45 days of the final contract signature.

If you have any questions, or if we may be of further assistance, please do not hesitate to contact Faith Crosby at (505) 827-5849 or fcrosby@slo.state.nm.us.

Respectfully,


Aubrey Dunn
Commissioner of Public Lands

EM/fc

Enclosures

Cc: Karen Sharp, NM OCD District 1, Hobbs