



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMNM 97669(CA)
3105 (07400)

January 20, 1998

Burlington Resources O&G Company
Attn: Ms. Cherylene Jim
PO Box 4289
Farmington, NM 87499

RECEIVED
JAN 21 1998
OIL CON. DIV.
DIST. 3

Dear Ms. Jim:

Enclosed is one approved copy of Unit Communitization Agreement (CA) NMNM 97669, involving 320.00 acres of Federal land (160.00 acres in lease NMSF-078399, and 160.00 acres in lease NMSF-079514), in Rio Arriba County, New Mexico. This acreage comprises a 320.00 acre spacing unit for the San Juan 29-7 Unit No. 4A well on lease NMSF-079514.

The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Pictured Cliffs Formation in the SW $\frac{1}{4}$, NW $\frac{1}{4}$ of Section 10, T. 29 N., R. 7 W., NMPM, and is effective November 25, 1996. This CA shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities, and subject lands are not included in a participating area. You are requested to furnish all interested principals with appropriate evidence of this approval.

If you have any questions, please contact Lucy Bee at the above address or telephone (505) 599-8922.

If this well is producing, this approval requires the submission of a Payor Information Form MMS-4025 to the Minerals Management Service (MMS) within 30 days (30 CFR 210.51). Please notify the designated payor or payors (purchasers, working interest owners, or others) as soon as possible regarding this requirement. Any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (30 CFR 218.54). If you need assistance or clarification, please contact the Minerals Management Service at 1-800-525-9167 or 303-231-3504.

Sincerely,

/s/ Duane W. Spencer

Duane W. Spencer
Team Leader, Petroleum Management Team

Enclosure

1 - Approved Unit Communitization Agreement

cc:
MMS, MS-3240, Denver, CO
NMOCD (w/o encl.)
NM Tax & Rev. Dept.
NMSO (93200) (w/o encl.)