

## **United States Department of the Interior**

BUREAU OF LAND MANAGEMENT Pecos District Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



IN REPLY REFER TO: NM72469 3105.2 (P0220)

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EOG Resources Box 4362 Houston, TX 77210-4362

Gentlemen:

Communitization Agreement (CA) NM72469 was approved 12/19/1984, effective as of 12/19/1984. This agreement communitized the W2 of sec. 31, T. 24 S., R. 34 E., NMPM, Lea County, New Mexico involving 279.84 acres of land in Federal lease NM28881, and 40.00 acres of land in a Federal lease NM23306, comprising a 319.84 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Morrow formation.

The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the last well in the above-described communitized spacing unit, Diamond 31 Fed Com 1 (API# 30-025-29000), located on Federal land in the W2 of sec. 31, T. 24 S. R. 34 E., was converted to SWD 1/28/2014.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM72469 is considered to have expired by its own terms as of 1/31/2014, the last day of the month during which the well was converted to SWD.

The leases within the CA, NM28881, and NM23306 are eligible for a two year extension, pursuant to 43 CFR 3107.4, as a result of the termination of the subject agreement. The leases are held by actual production.

Please contact Ed Fernandez, Petroleum Engineer (575) 234-2220 if you have any questions.

Sincerely,

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Stephen Caffey Asst. Field Manager, Lands and Minerals

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ONRR, Denver New Mexico Taxation and Revenue Department, Revenue Processing Division, NM 9200 NM P0220, File Room