



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:

NM134487

3105.2 (P0220)

Reference:

Medwick 32 Federal Com 11H

Communitization agreement

sec. 32 & 29

T. 26 S., R. 27 E, N.M.P.M.

Eddy County, NM

MAY 06 2015

Cimarex Energy Co. of Colorado

600 N. Marienfeld, Suite 600

Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134487 involving 160 acres of Federal land in lease NMNM114350, 40 acres of Federal land in lease NMNM117116, and 23.32 acres of State lands, Eddy County, New Mexico, which comprise a 223.32 acre well spacing unit.

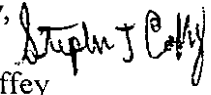
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2E2 of Sec. 29, T. 26S R. 27E., and beneath the NENE and Lot 1 of Sec. 32, T. 26S, R. 27E, NMPM, Eddy County, NM, and is effective 005/01/2014. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward Fernandez, Petroleum Engineer at (575) 234-2220.

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2015 MAY 12 P 3: 20

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely, 
Steve Caffey
Assistant Field Manager,
Lands and Minerals

1 Enclosure:
1 - Communitization Agreement

cc:
ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)
NM Taxation & Revenue Dept. (Revenue Processing Div.)
NMOCD
NM (9200)
NM (P0220-CFO, File Room)

Determination - Approval - Certification

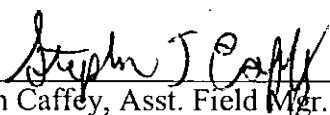
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the E2E2 of sec. 29, and the NENE and Lot 1 of sec. 32, T. 26S R. 27E., NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:



Stephen Caffey, Asst. Field Mgr.
Authorized Officer

Effective: 05/01/2014

Contract No.: Com. Agr. NM134487



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Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM134487
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Comm Agr NM134487

Date of Completion:	01/25/2015
Date of First Production:	01/28/2015
Field:	WC-015 S262728A
Operator, Well Name & No, API Number:	Cimarex; Medwick 32 Fed Com 11H; 30-015-42175
Surface Location:	Sec.32, T.26 S., R. 27E
Total Depth:	14,018 MD; 7,397 TVD
Surface Elevation:	3185' GL
Producing Formation:	Bone Spring (7,232 – 13,949)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 716 BBL; Gas 1,168 MCF; Water 1,259 BBL
Current Status:	Producing Oil Well

Remarks: CA NM134487, effective 05/01/14, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath sec. 29, E2E2 & 32, Lot 1 and NENE of T. 26 S., R. 27 E., NMPM, and comprises 160 acres of Federal land in lease NM114350, 40 acres of Federal land in lease NMNM117116, and 23.32 acres of State lands for a 223.32 acre spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at ajmorrison@blm.gov.

/S/ Deborah Ham
05/06/2015

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)