



IN REPLY REFER TO:

## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

New Mexico State Office

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

[www.blm.gov/nm](http://www.blm.gov/nm)



IN REPLY REFER TO:

NM134466

3105.2 (P0220)

#### Reference:

Hornsby 35 Fed Com 3H

Communitization agreement

sec. 35 & 26

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

Eddy County, NM

Cimarex

600 N. Marienfeld, #600

Midland, TX 79701

Gentlemen:

RECEIVED OCD

2015 MAY -5 P 3: 10

Enclosed is an approved copy of Communitization Agreement NM134466 involving 320 acres of Federal land in lease NMNM120350, and 128.09 acres of Federal land in lease NMNM117116, Eddy County, New Mexico, which comprise a 448.09 acre well spacing unit.

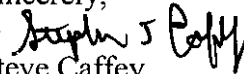
The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the NENW, NWNW, Lot 3 and Lot 4, Sec. 35, T. 26S R. 27E., and beneath the W2 of Sec. 26, T. 26S, R. 27E, NMPM, Eddy County, NM, and is effective 06/01/2014. Approval of this agreement does not warrant 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.

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)

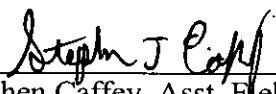
NM (P0220-CFO, File Room)

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 NENW, NWNW, Lot 3 and Lot 4 of sec. 35, T. 26S R. 27E., and the W2 of sec. 26, T. 26S, R. 27E, NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- 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: 06/01/2014

Contract No.: Com. Agr. NM134466



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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



In Reply Refer to  
NM134466  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Comm Agr NM134466

Date of Completion:	11/08/2014
Date of First Production:	11/09/2014
Field:	WC-015 S262728A
Operator, Well Name & No, API Number:	Cimarex; Hornsby 35 Fed Com 3H; 3001542208
Surface Location:	Sec.35, T.26 S., R. 27E
Total Depth:	16,881 MD; 10,160 TVD
Surface Elevation:	
Producing Formation:	Wolfcamp (10,068 – 16,795)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 209 BBL; Gas 4363 MCF; Water 1707 BBL
Current Status:	Producing Gas Well
Remarks:	CA NM134466, effective 06/01/14, communitizes production of all gas and fluid hydrocarbons in the Wolfcamp formation beneath sec. 35 & 26, T. 26 S., R. 27 E., NMPM, and comprises 320 acres of Federal land in lease NM120350, and 128.09 acres of Federal land in lease NMNM117116 for a 448.09 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](mailto:ajmorrison@blm.gov).

/S/ **Deborah Ham**  
04/29/2015

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