



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:

NM134476

3105.2 (P0220)

Reference:

Sweetness 30 State Fed Com 1H

T. 23 S., R. 34 E.,

W2SE4, SWNE, sec. 30

W2E2, sec. 31

April 30, 2015

Lea County, NM

Devon Energy Corporation
333 W. Sheridan
Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134476 involving 120 acres of Federal land in lease NMNM111971, and 160 acres of State land in Lea County, New Mexico, which comprise a 280 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Delaware formation beneath the W2SE4, SWNW of sec. 30, and beneath the W2E2 of sec. 31, T. 23 S., R. 35 E., NMPM, 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 G. Fernandez Petroleum Engineer at (575) 234-2220.

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2015 MAY -5 P 3:10

Determination - Approval - Certification

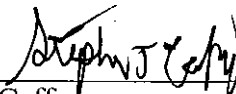
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 W2SE4, SWNE of sec. 30, and the W2E2 of sec. 31, T. 23 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Delaware 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:



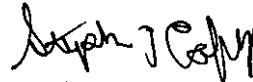
Stephen Caffey
Asst. Field Mgr.
Authorized Officer

Effective: 06/01/14

Contract No.: Com. Agr. NM134476

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

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen J Caffey".

Stephen Caffey
Assistant Field Manager,

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)



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Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM134476
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM134476

Date of Completion:	11/21/14
Date of First Production:	11/21/14
Field:	Cinta Rojo; Delaware
Operator, Well Name & No, API Number:	Devon; Sweetness 30 State Fed Com 1H; 30-025-41864
Surface Location:	sec.30, T. 23 S., R. 35 E.
Total Depth:	17,105 MD; 8,585 TVD
Surface Elevation:	3,423GL
Producing Formation:	Delaware (8,881 – 16,915)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 358 BBL; Gas 424 MCF; Water 1,292 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM134476, effective 06/01/14, communitizes production of all gas and fluid hydrocarbons in the Delaware formation beneath W2SE4 and SWNE of sec. 30, W2E2 of sec. 31, T. 23 S., R. 35 E., NMPM, and comprises 120 acres of Federal land in lease NMNM111971, and 160.00 acres of State land for a 280 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
04/30/15

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