



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



2015 JUN 11 P 3:08

IN REPLY REFER TO:
NM134620
3105.2 (P0220)

Reference:
Communitization Agreement
Endurance 36 State Com 2H
T. 26 S., R. 33 E.,
Section 36: NENW, Lot 3
Section 25: E2W2
Lea County, NM

June 3, 2015

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134620 involving 160 acres of Federal land in lease NMNM122622, and 76.96 acres of State land, Lea County, New Mexico, which comprise a 236.96 acre well spacing unit.

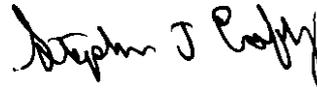
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the NENW and Lot 3 of sec. 36, and beneath the E2W2 of sec. 25, T. 26 S., R. 33 E., NMPM, and is effective December 1, 2013. Approval of this agreement does not warrant or certify that the operator, 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.

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:

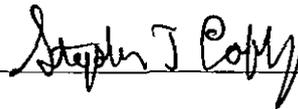
- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement 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 and Lot 3 of sec. 36, and the E2W2 of sec. 25, T. 26 S., R. 31 E., 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:



Authorized Officer
Stephen Caffey
Asst. Field Mgr.

Effective: December 1, 2013

Contract No.: Com. Agr. NM134620



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In Reply Refer to
NM134620
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM134620

Date of Completion:	September 16, 2014
Date of First Production:	September 16, 2014
Field:	Bradley
Operator, Well Name & No, API Number:	EOG Resources; Endurance 36 State Com 2H; 30-025-40258
Surface Location:	Lot 3, sec. 36, T. 26 S., R. 33 E.
Total Depth:	17,042' MD; 9,639' TVD
Surface Elevation:	3,333' GL
Producing Formation:	Bone Spring (9,960' – 16,920')
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 724 BBL; Gas 1060 MCF; Water 2099 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM134620, effective 12/01/2013, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the NENW, and Lot 3 of sec. 36, T. 26 S., R. 33 E., and E2W2 of sec. 25, T. 26 S., R. 33 E., NMPM, and is comprized of 76.96 acres of State land and 160 acres of Federal land in lease NM122622 for a 236.96 acre spacing unit.

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

/S/ Deborah Ham

6/3/2015

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