



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
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Carlsbad, New Mexico 88220-6292  
[www.nm.blm.gov](http://www.nm.blm.gov)



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2015 FEB 25 P 3:14

NM119383  
3105.2 (P0220)

FEB 20 2015

Devon Energy  
333 W Sheridan Avenue  
Oklahoma City, OK 73102

Gentlemen:

Communitization Agreement NM119383 was approved 11/6/07, effective as of 3/6/07. This agreement communitized the E2 of sec. 14, T. 22 S., R.25 E., NMPM, Eddy County, New Mexico involving 160 acres of Federal land in NM114820, and 160 acres of Federal land in lease NM9984, comprising a 320 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Canyon formation.

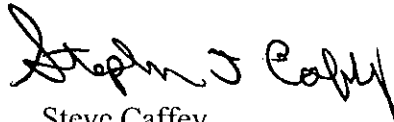
The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the subject well in the above-described communitized spacing unit, CA NM119383 (3001535290 S1), located on Federal land in the E2 of sec. 14, T. 22 S., R.25 E., NMPM, produced from the Canyon formation. The Canyon formation was plugged and abandoned effective 5/30/2014.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM119383 is considered to have expired by its own terms as of May 31, 2014, the last day of the month during which the Canyon formation was plugged and abandoned. Leases NM114820, and NM9984 are eligible for a two year extension ending May 31, 2016, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. Lease NM114820 is not held by production. Lease NM9984 is held by production.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Steve J Caffey". The signature is fluid and cursive, with the first name "Steve" and last name "Caffey" clearly distinguishable.

Steve Caffey  
Assistant Field Manager,  
Lands and Minerals

cc:

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