



30-015-43856
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

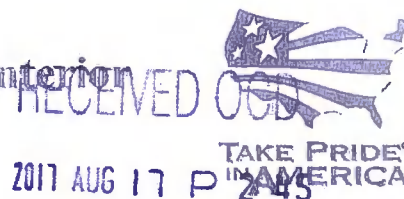
Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:

NM137336

3105.2 (P0220)

Reference:

08/03/2017

Communitization Agreement

Hackberry 26 Fed Com 1H

Section 26: N2N2

Section 27: N2N2

Section 28: NENE

T. 19 S., R. 30 E., N.M.P.M.

Eddy County, NM

Cimarex Energy Company
600 N. Marienfeld St., Suite 600
Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM137336 involving 40 acres of Federal land in lease NMNM130860, 40 acres of Federal land in lease NMNM0554497, 120 acres of Federal land in lease NMNM006769A, 80 acres of Federal land in lease NMNM0556571 and 80 acres of Federal land in lease NMNM130859, Eddy County, New Mexico, which comprise a 360 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath Sec's. 26 and 27, N2N2 and Sec. 28, NENE, T. 19 S., R. 30 E., NMPM, Eddy County, NM and is effective 10/15/2016. 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.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



In Reply Refer to
NM137336
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM137336

Date of Completion:	07/06/2017
Date of First Production:	07/06/2017
Field:	Hackberry
Operator, Well Name & No, API Number:	Cimarex Energy Co.; Hackberry 26 Fed Com 1H; 30-015-43856
Surface Location:	sec. 26, NENE, T.19 S., R.30 E.
Bottom Location:	sec. 28, NENE, T.19 S., R.30 E.
Total Depth:	19,572 MD; 8,384 TVD
Surface Elevation:	3,271 GL
Producing Formation:	Bone Spring (8,102 – 19,547)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 413 BBL; Gas 572 MCF; Water 2743 BBL
Current Status:	Producing Oil Well

Remarks: CA NM137336, effective 10/15/2016, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath sec. 26 and 27, N2N2 and sec. 28, NENE, T. 19 S., R. 30 E., NMPM, and comprises 40 acres of Federal land in lease NMNM130860, 40 acres of Federal land in lease NMNM0554497, 120 acres of Federal land in NMNM006769A, 80 acres of Federal land in lease NMNM0556571 and 80 acres of Federal land in lease NMNM130859 for a 360 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Deborah Ham at (575) 234-5965.

/S/ Deborah Ham
08/03/2017

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