



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
<https://www.blm.gov/new-mexico>

In Reply Refer To:

NMNM142997  
3105.2 (NM920)

**MAR 05 2021**

Reference:  
Communitization Agreement  
Corral Canyon 36-25 Fed Com #24H, #25H, and #26H  
Section 25: E2;  
Section 36: E2.  
T. 24 S., R. 29 E., N.M.P.M.  
Eddy County, NM

OXY USA Inc.  
5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM142997 involving 240 acres of Federal land in lease NMNM65408, 80 acres of Federal land in lease NMNM59386, and 320 acres of State land, Eddy County, New Mexico, which comprise a 640 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2 of Sec. 25 and the E2 of Sec. 36, T. 24 S., R. 29 E., NMPM, Eddy County, NM, and is effective June 1, 2018. 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.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

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

Sincerely,

**SHEILA  
MALLORY** Digitally signed by  
SHEILA MALLORY  
Date: 2021.03.05  
15:49:15 -07'00'

Sheila Mallory  
Deputy State Director  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

NMSO (NM925, File)

NM STATE LAND COMM.

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 E2 of sec. 25 and the E2 of sec. 36, T. 24 S., R. 29 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 (c) 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:

**MAR 05 2021**

**SHEILA  
MALLORY**

Digitally signed by SHEILA  
MALLORY  
Date: 2021.03.05 15:48:41  
-07'00'

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Sheila Mallory  
Deputy State Director  
Division of Minerals

Effective: June 1, 2018

Contract No.: Com. Agr. NMNM142997