



United States Department of the Interior



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

In Reply Refer To:

NMNM140904
3105.2 (NM920)

JAN 19 2021

Reference:
Communitization Agreement
Grumpy Cat 15-22 Fed Com #212H
Section 15: E2W2
Section 22: E2W2
T. 23 S., R. 32 E., N.M.P.M.
Lea County, NM

Devon Energy Company, L.P.
333 W. Sheridan Avenue
Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM140904 involving 40 acres of Federal land in lease NMNM 84728, 120 acres of Federal land in lease NMNM 95642, 80 acres of Federal land in lease NMNM 88163, and 80 acres of Federal land in lease NMNM 86153, Lea County, New Mexico, which comprise a 320 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2W2 of Sec. 15 and the E2W2 of Sec. 22, T. 23 S., R. 32 E., NMPM, Lea County, NM, and is effective April 1, 2019. 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: 2021.01.19
10:29:38 -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)

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 E2W2 of sec. 15 and the E2W2 of sec. 22, T. 23 S., R. 32 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.

- 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: **JAN 19 2021**

**SHEILA
MALLORY**

Digitally signed by
SHEILA MALLORY
Date: 2021.01.19
10:29:03 -07'00'

Sheila Mallory
Deputy State Director
Division of Minerals

Effective: April 1, 2019

Contract No.: Com. Agr. NMNM140904