

# United States Department of the Interior

BUREAU OF LAND MANAGEMENT 2014 SEP Farmington District Office 6251 College BlvU Suite A Farmington, New Mexico 87402 www.blm.gov/nm



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In Reply Refer To: 3105 (NMF0110)

NMNM-133273 (CA)

September 10, 2014

ConocoPhillips Company Attn: Dawn Howell P.O. Box 4289 Farmington, NM 87499

Dear Ms. Howell:

Enclosed is one approved Communitization Agreements (CA) NMNM-133273, involving 161.00 acres of Federal minerals in lease NMSF-078343, 80.00 acres pf Federal minerals in lease NMSF-078642, and 80.00 acres of Federal minerals in lease NMSF-080069 located in Rio Arriba County, New Mexico. This acreage comprises 321.00 acres, more or less in the Fruitland Coal spacing unit for the San Juan 29-5 Unit #231 well.

The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons gas producible from the Fruitland Coal formation in Lots 3, 4, S2NW, SW (W2) of Section 5, T. 29 N., R. 5 W. NMPM, and is effective October 12, 1992. You are requested to furnish all interested principals with appropriate evidence of this approval.

CA number NMNM-133273 as assigned above, must be posted on the well and facility signs for the San Juan 29-5 Unit #231 well. The sign shall include the well name and number, Operator name, lease serial number, <u>Communitization number</u>, the quarter-quarter section, section, township and range, county, and state. (43 CFR 3162.6).

Pursuant to the terms and conditions of the approved CA and 43 CFR 3162.4 Well Records and Reports, you are required to file your well completion report within 30 days of the wells' completion. Within five (5) days of commencement of production, you are also required to file a notice of production startup. Penalties for non-compliance with such requirements are applicable to all wells and facilities on State or privately owned mineral lands committed to a unit or CA, which affects Federal or Indian interests, notwithstanding any provision of the unit or CA to the contrary. Upon approval of the CA, production and royalty reports are due to the Office of Natural Resources Revenue (ONRR). The submission of form MMS-4054, Oil and Gas Operations Report (OGOR), must begin once drilling is completed. OGORs must be submitted to ONNR by the 15<sup>th</sup> day of the second month following the production month. Royalty payments, along with the form MMS-2014, Report of Sales and Royalty Remittance, are due on or before the last day of the month following the month during which oil or gas was produced and sold.

If the communitized well(s) are producing, any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54).

If you have any questions concerning reporting, locate your company contact at <u>http://www.onrr.gov/FM/PDFDocs/operasgn.pdf</u>. Questions concerning Form 2014, call 1-800-525-9167 and Oil and Gas Operations Reports, call 1-800-525-7922.

If you have any questions regarding the Communitization Agreement, please contact me at <u>vbarber@blm.gov</u> or telephone (505) 564-7754.

Sincerely,

Virginia Barber Land Law Examiner Petroleum Management Branch

Enclosure 1 - Approved Communitization Agreement cc: ONRR, MS-357 B1, Denver, CO NMOCD, Santa Fe (w/o encl.) NM Tax & Rev. Dept NMSO (93000) (w/o encl.)



### PATRICK H. LYONS COMMISSIONER

## State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

May 11, 2010

ConocoPhillips Company P.O. Box 4289 Farmington, New Mexico 87499-4289

Attn: Mr. Ben Malone

Re: 2010 Plans of Development San Juan 29-5 Unit Rio Arriba County, New Mexico

Dear Mr. Malone:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS COMMISSIONER OF PUBLIC LANDS

BY

JAMI BAILEY, Director Oil, Gas and Minerals Division

PL/JB/jm xc: Reader File OCD-Ed Martin BLMF- Wayne Townsend

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### **COMMISSIONER'S OFFICE**

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org