



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



RECEIVED
2012 MAY -7 A 10:30

NM84603X
3180 (P0220)

Reference:
Unit Termination
Central Corbin Queen Unit – NM84603X
Lea County, New Mexico

APR - 3 2012

CERTIFIED – RETURN RECEIPT REQUESTED:
7008 3230 0002 0987 6407

Oxy USA, Inc.
P.O.Box 4294
Houston, Texas 77210-4294

Gentlemen:

The Central Corbin Queen Unit, No. NM84603X, Lea County, New Mexico, as requested per letter received at BLM Carlsbad Field Office on March 15, 2012 is terminated effective April 1, 2012, pursuant to Section 24 of Unit Agreement.

Thus, it has been determined that the Central Corbin Queen Unit wells (Queen formation) are in the process of being plugged and abandon and are incapable of production of unitized substance in paying quantities. Pursuant to Section 24 of Unit Agreement this agreement is being terminated per Oxy USA, Inc. by more than 75% of the working interest owners and Oxy USA, Inc. is granted 6 months to plug and abandon all unit wells after termination of this agreement.

Pursuant to 43 CFR 3183.4(b), Public Interest requirement has been fulfilled, and the following leases; NMLC029489A, NMLC029489B, NMLC029489C, NMNM55149 and NMNM84731 are entitled to a two year extension pursuant to 43 CFR 3107.3-2 and 3107.4. Currently, leases NMLC029489A and NMLC0294890 both have non-unit production.

Copies of this letter are being distributed to the appropriate Federal agencies. It is requested that you furnish notice of this termination to each working interest owner, lessee and lessor.

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

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Peterson', with a stylized flourish at the end.

Don Peterson
Assistant Field Manager,
Lands and Minerals

cc:

Commissioner of Public Lands
ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)
NM Taxation & Revenue Dept. (Revenue Processing Div.)
NMOCD
NM (9210)
NM (P0220-CFO, File Room)