



# 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](http://www.blm.gov/nm)



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2015 JUN 29 P 3:21

IN REPLY REFER TO:  
NM134716  
3105.2 (P0220)

Reference:  
Communitization Agreement  
Wilder Fed 28 3H  
T. 26 S., R. 32 E.,  
Section 28: W2  
Section 33: N2NW  
Lea County, NM

JUN 26 2015

ConocoPhillips Company  
600 N. Dairy Ashford  
Houston, TX 77079

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134716 involving 320 acres of Federal land in lease NM27508, and 129.38 acres of Federal land in lease NM130738, , Lea County, New Mexico, which comprise a 449.38- acre well spacing unit.


The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath T. 26 S., R. 32 E., Section 28: W2. Section 33: N2NW, NMPM, and is effective 1/1/14. 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.

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 Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Steve J. Caffey".

Steve Caffey  
Assistant Field Manager,  
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

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

NMOCD

NM (9200)

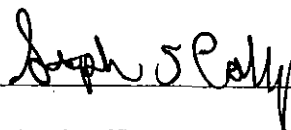
NM (P0220-CFO, File Room)

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 T. 26 S., R. 32 E., Section 28: W2, Section 33: N2NW, 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:

  
\_\_\_\_\_  
Authorized Officer

Effective: 1/1/14

Contract No.: Com. Agr. NM134716



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In Reply Refer to  
NM134716  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Legal Instrument Examiner (P0220)

Subject: First Production, Communitization Agreement NM134716

Date of Completion:	October 28, 2014
Date of First Production:	October 28, 2014
Field:	Jennings
Operator, Well Name & No, API Number:	ConocoPhillips; Wilder Federal 28 3H; 30-025-40501
Surface Location:	NENW sec. 28, T. 26 S., R. 32 E.
Total Depth:	16,030' MD; 9,348' TVD
Surface Elevation:	3,168' KB
Producing Formation:	Bone Spring (9,628' – 15,929')
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 0 BBL; Gas 52 MCF; Water 1152 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM134715, effective 1/1/14. Communitizes all rights to the oil and associated hydrocarbons producible from the Bone Spring formation, involving 320 acres of Federal land in lease NM27508, and 129.38 acres of Federal land in lease NM130738, comprising a 449.38- acre well spacing unit whose leases are held by actual production.

Questions?: [ajmorrison@blm.gov](mailto:ajmorrison@blm.gov)

/S/ Arthur Morrison  
6/26/2015

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