



# United States Department of the Interior

2015 OCT 28  
BUREAU OF LAND MANAGEMENT  
Farmington District Office  
6251 College Blvd Suite A  
Farmington, New Mexico 87402  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:  
3105 (NMF0110)

NMNM-135234 (CA)

October 22, 2015

XTO Energy, Inc.  
Attn: Debra Churchill  
810 Houston Street  
Fort Worth, TX 76102-6298

30-045-31079

Dear Ms. Churchill:

Enclosed is one approved Communitization Agreement (CA) NMNM-135234, involving 80.00 acres on Federal lease NMNM-0468128 and 80.00 acres on Fee land located in San Juan County, New Mexico. This acreage comprises 160.00 acres, more or less in the Pictured Cliffs spacing unit for the F-RPC 21 #3 well.

The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons gas producible from the Pictured Cliffs formation in the SW/4 of Section 21, T. 29 N., R. 13 W. NMPM, and is effective November 4, 2002. You are requested to furnish all interested principals with appropriate evidence of this approval.

CA number NMNM-135234 as assigned above, must be posted on the well and facility signs for the F-RPC 21 #3. The sign shall include the well name and number, Operator name, lease serial number, Communitization number, 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 ONRR 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 <http://www.onrr.gov/FM/PDFDocs/operasgn.pdf>. 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 [vbarber@blm.gov](mailto:vbarber@blm.gov) or telephone (505) 564-7754.

Sincerely,

A handwritten signature in black ink, appearing to read "Virginia Barber", with a long horizontal flourish extending to the right.

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.)