



# 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)



IN REPLY REFER TO:

NM134842

3105.2 (P0220)

Reference:

Communitization Agreement

Da Vinci 7 Fed Com 3H

Sec. 7, E2

T. 25 S., R. 27 E.

Eddy County, NM

July 20, 2015

RECEIVED OGD  
2015 JUL 31 P 3:03

Cimarex Energy Co.  
600 N. Marienfeld, Suite 600  
Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM134842 involving 160 acres of Federal land in lease NM92167, and 160 acres of Federal land in lease NM100332, Eddy County, New Mexico, which comprise a 320 acre well spacing unit.

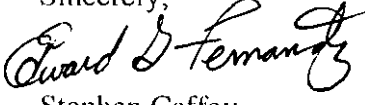
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2 of sec. 7, T. 25 S., R. 27 E., NMPM, Eddy County, NM, and is effective 12/04/2012. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest 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 Fernandez, Petroleum Engineer at (575) 234-2220.

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

Sincerely,

  
For Stephen 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 the E2 of sec. 7, T. 25 S., R. 27 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 (e) 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:

*For*   
Stephen Caffey, Asst. Field Mgr.  
Authorized Officer

Effective: 12/04/2012

Contract No.: Com. Agr. NM134842



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## BUREAU OF LAND MANAGEMENT

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620 E. Greene  
Carlsbad, New Mexico 88220-6292  
www.nm.blm.gov



In Reply Refer to  
NM134842  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM134842

Date of Completion:	12/02/2012
Date of First Production:	12/07/2012
Field:	Hay Hollow
Operator, Well Name & No, API Number:	Cimarex Energy Co.; Da Vinci 7 Fed Com 3H; 3001540203
Surface Location:	sec. 7, T. 25 S., R.27 E.
Total Depth:	11,916 MD; 7,297 TVD
Surface Elevation:	3,211' GL
Producing Formation:	Bone Spring (7,481 – 11,834)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 550 BBL; Gas 2445 MCF; Water 437 BBL
Current Status:	Producing Oil Well
Remarks:	CA134842, effective 12/04/2012, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the E2 of sec. 7, T. 25 S., R. 27E, NMPM, and comprises 160 acres of Federal land in lease NM92167, and 160 acres of Federal land in lease NM100332 for a 320 acre well spacing unit. All leases are held by actual production.

If you have any questions regarding this memorandum, please email Deborah Ham at dham@blm.gov.

/S/ Deborah ham  
7/20/2015

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