

## **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



1015 SEP 17 A 3:

IN REPLY REFER TO: NM135070 3105.2 (P0220)

Reference: Aldabra 25 Fed Com 1H T. 23 S., R. 31 E., Sec. 25: W2W2 Eddy County, NM

September 10, 2015

Devon Energy Corporation 333 W. Sheridan Oklahoma City, OK 73102

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM135070 involving 40 facres of Federal land in lease NMNM0405444A, and 120 acres of Federal land in lease NMNM0544986, Eddy County, New Mexico, which comprise a 160-acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath T. 23 S., R. 31 E., W2W2 of Sec. 25, NMPM, and is effective 10/01/2013. 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,

For Stephen Caffey

Assistant Field Manager,

Enclosure:
Communitization Agreement

cc: ONRR, Denver (357B-1, Antoinette Contreraz, 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. 23 S., R. 31 E., W2W2 of sec. 25, 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:

Stephen Caffey

Asst. Field Mgr. Authorized Officer

Effective: 10/01/2013

Contract No.: Com. Agr. NM135070



In Reply Refer to NM135070 3107 (P0220)

## Memorandum

To: State Director (9210) ·

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NMNM135070

Date of Completion:	08/29/2014 ·
Date of First Production:	08/29/2014
Field:	Jennings
Operator, Well Name & No, API Number:	Devon Energy; Aldabra 25 Fed Com 1H; 30-015- 38612
Surface Location:	sec.25, T. 23 S., R. 31 E.
Total Depth:	16,174 MD; 11,611 TVD
Surface Elevation:	3,484 GL
Producing Formation:	Bone Spring (11,702 – 16,067)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 301 BBL; Gas 1589 MCF; Water 1122 BBL
Current Status:	Producing Oil Well

Remarks: CA NM135070, effective 10/01/13, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath sec. 25: W2W2, T. 23 S., R. 31 E., NMPM, and comprises 40 acres of Federal land in lease NMNM0405444A, and 120 acres of Federal land in lease NMNM0544986 for a 160 acre spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Deborah Ham at (575) 234-5965.

> /S/ Deborah Ham 09/10//15

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

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