

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

IN REPLY REFER TO: NM132439 3105.2 (P0220)

Reference:

Communitization Agreement (CA) NM132439 Eddy County, NM September 18, 2015

Cimarex Energy Company 600 N. Marienfeld St. Midland, TX 79701

30-025-40793

Gentlemen:

Communitization Agreement (CA) NM132439 was approved 05/09/2014, effective as of 09/27/2013. This agreement communitized the W2W2, Section 12, T. 24 S., R. 32 E., NMPM, Lea County, New Mexico involving 80 acres of Federal land in lease NM01917 and 80 acres of Federal land in lease NM02889 comprising a 160.00 acre well spacing unit as to all rights to all producible hydrocarbons from the Bone Spring formation.

This agreement covers the Dos Equis 12 Federal Com #4H and as requested by Cimarex Energy Company, this CA NM132439 is hereby terminated effective 09/27/2013 and will be replaced by CA NM135092.

All leases within the CA are eligible for a two year extension, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. However, the leases are currently held by production and are now committed to CA NM135092 effective 11/15/2012.

Please contact Edward G. Fernandez, Petroleum Engineer (575) 234-2220 if you have any questions.

Sincerely,

Stephen Caffey

Associate Field Manager,

Lands and Minerals

cc:

ONRR, Denver New Mexico Taxation and Revenue Department, Revenue Processing Division, NM 9200 NM P0220, File Room