



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

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2015 JUN 29 P 3:21

IN REPLY REFER TO:
NM134181
3105.2 (P0220)

Reference:
Pavo Mesa 30 Fed Com 1
Communitization agreement
sec. 30
T. 16 S., R. 29 E, N.M.P.M.
Eddy County, NM

JUN 22 2015

Cimarex
600 N. Marienfeld, #600
Midland, TX 79701

Gentlemen:

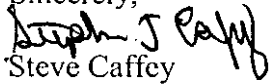
Enclosed is an approved copy of Communitization Agreement NM134181 involving 25.62 acres of Federal land in lease NMNM9987, and 120 acres of Federal land in lease NMNM89878, Eddy County, New Mexico, which comprise a 145.62 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Abo formation beneath sec. 30; Lot 2, SE/4 NW/4, S/2 NE/4, T. 16 S. R. 29 E., NMPM, Eddy County, NM, and is effective 11/7/07. 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 Hernandez, Petroleum Engineer at (575) 234-2220.

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

Sincerely,

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

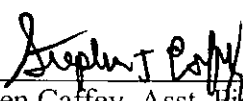
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 sec. 30; Lot 2, SE/4 NW/4, S/2 NE/4, T. 16 S. R. 29 E. NMPM, as to all producible hydrocarbons from the Abo 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: 11/7/07

Contract No.: Com. Agr. NM134181



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



In Reply Refer to
NM134181
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Comm Agr NM134181

Date of Completion: 6/6/08
Date of First Production: 6/6/08
Field: Pavo Mesa;Abo
Operator, Well Name & No, API Number: Cimarex;Pavo Mesa 30 Fed Com 1; 3001535918
Surface Location: Sec. 30, T.16 S., R. 29E
Total Depth: 11,021 MD; 7,084 TVD
Surface Elevation: 3,701 GL
Producing Formation: Abo (5,825 – 17,0901,906)
Well Capable of Production in Paying Quantities: Yes
Initial Daily Production: Oil 19 BBL; Gas 21 MCF; Water 390 BBL
Current Status: Producing Oil Well

Remarks: CA NM134181, effective 11/7/07, communitizes production of all gas and fluid hydrocarbons in the Abo formation beneath sec. 30: Lot 2, SE4 NW/4, S/2 NE/4, T. 16 S., R. 29 E., NMPM, and comprises 25.62 acres of Federal land in lease NM9987, and 120.00 acres of Federal land in lease NMNM89878 for a 145.62 acre spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at ajmorrison@blm.gov.

/S/ Arthur Morrison
6/22/15

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