



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:

NM136647

3105.2 (P0220)

Reference:

Replacement Communitization Agreement

Endurance 36 State Com 705H

T. 26 S., R. 33 E.,

01/17/2017

Section 25: E2W2

Section 36; NW

Lea County, NM

EOG Resources, Inc.

P.O. Box 2267

Midland, TX 79702

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM136647 involving 320 acres of Federal land in lease NMNM122622 and 152.08 acres of State land, Lea County, New Mexico, which comprise a 472.08 acre well spacing unit. This agreement, NMNM136647 is to replace Communitization Agreements NMNM136626 and NMNM136635, which were created in error. Therefore, Communitization Agreements NMNM136626 and NMNM136635 are considered cancelled effective 08/08/2016 and replaced with NMNM136647 effective same date of 08/08/2016.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the W2 of sec. 25, and the NW/4 of sec. 36, T. 26 S., R. 33 E., NMPM; and is effective 08/08/2016. 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.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

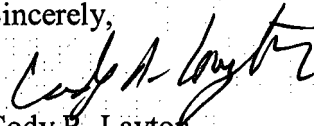
Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

RECEIVED OGC
2017 JAN 25 P 2 25

If you have any questions regarding this approval, please contact Chris Walls, Petroleum Engineer at (575) 234-2234 or Deborah Ham at (575) 234-5965.

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

Sincerely,



Cody R. Layton
Assistant Field Manager,
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

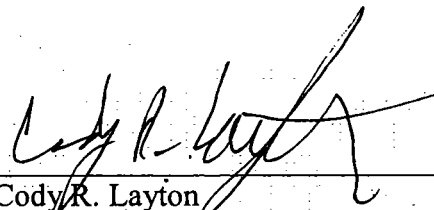
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 W2 of sec. 25, and the NW/4 of sec. 36, T. 26 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- 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: 01/17/2017



Cody R. Layton
Assistant Field Manager,
Lands and Minerals

Effective: 08/08/2016

Contract No.: Com. Agr. NM136647



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BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO:
NM136647
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM136647

Date of Completion:	12/04/2016
Date of First Production:	12/04/2016
Field:	WC-025 G-09 S263327G
Operator, Well Name & No, API Number:	EOG Resources Inc.; Endurance 36 State Com 705H; 30-025-43227
Surface Location:	Lot 3, Sec. 36, T. 26 S., R 33 E.
Bottom Location:	NENW, Sec. 25, T. 26 S., R. 33 E.
Total Depth:	19,989 MD; 12,595 TVD
Total Elevation:	3,337 GL
Producing Formation:	Wolfcamp (12,810-19,848)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 2386 BBL; Gas 4277 MCF; Water 8906 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM136647, effective 08/08/2016, communitizes production of all gas and fluid hydrocarbons in the Wolfcamp formation beneath Sec. 25, W2, and Sec. 36, NW/4 of T26S, R33E, NMPM, and comprises 320 acres of Federal land in lease NMNM122622, and 152.08 acres of State land for a 472.08 acre well 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**
01/17/2017

cc:
ONRR-Denver
First Production File
LLNM (P0220, File Room)