



30-015-44055

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District
Carlsbad Field Office
620 E. Greene

Carlsbad, New Mexico 88220
www.blm.gov/nm

RECEIVED OGD



IN REPLY REFER TO:
NM137341
3105.2 (P0220)

08/07/2017

Reference:

Communitization Agreement
Cedar Canyon 22 15 Fed Com 34H
T. 24 S., R. 29 E.,
Sec. 15: E2E2
Sec. 22: NENE
Eddy County, NM

OXY USA INC.
P.O. Box 4294
Houston, TX 77210-4294

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM137341 involving 40 acres of Federal land in lease NMNM88137 and 160 acres of Fee land, Eddy County, New Mexico, which comprise a 200 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the E2E2 of sec. 15 and the NENE of sec. 22, T. 24 S., R. 29 E., NMPM, and is effective 05/10/2017. 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.



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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
NM137341
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM137341

| | |
|--|---|
| Date of Completion: | 05/24/2017 |
| Date of First Production: | 05/25/2017 |
| Field: | Pierce Crossing |
| Operator, Well Name & No, API Number: | Oxy USA, Inc.; Cedar Canyon 22/15 Fed Com 34H; 30-015-44055 |
| Surface Location: | NENE, sec. 22, T. 24 S., R. 29 E. |
| Bottom Location: | NENE, sec. 15, T. 24 S., R. 29 E. |
| Total Depth: | 16,110 MD; 9,970 TVD |
| Surface Elevation: | 2,936 GL |
| Producing Formation: | Bone Spring (9,980 – 15,931) |
| Well Capable of Production in Paying Quantities: | Yes |
| Initial Daily Production: | Oil 1631 BBL; Gas 3378 MCF; Water 3809 BBL |
| Current Status: | Producing Oil Well |
| Remarks: | CA NM137341, effective 05/10/2017, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath sec. 15: E2E2 and sec. 22: NENE, T. 24 S., R. 29 E., NMPM, and comprises 40 acres of Federal land in lease NMNM88137 and 160 acres of Fee land for a 200 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**
08/07/2017

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