



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



30 025 40719

IN REPLY REFER TO:
NMNM138381
3105.2 (P0220)

08/28/2018

Reference:
Communitization Agreement
Thistle #34H
Section 33: E2W2
T. 23 S., R. 33 E., N.M.P.M.
Lea County, NM

Devon Energy Corporation
333 W. Sheridan Ave.
Oklahoma City, OK 73102-8260

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM138381 involving 40 acres of Federal land in PA NMNM 88526A, and 120 acres of State land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Delaware formation beneath the E2W2, Sec. 33, T. 23 S., R. 33 E., NMPM, Lea County, NM, and is effective May 1, 2015. 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.

Please be advised that this Communitization Agreement has been created only for the purpose of reporting production and royalties indicated in the agreement from May 01, 2015 to April 30, 2017, involving the well Thistle Unit 24H (API# 30-025-40719). Once reporting is complete, the agreement will be terminated effective May 31, 2017, the last day of the month in which the well will be reported as abandoned.

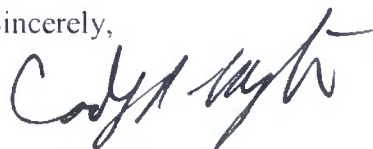
Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is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

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,

A handwritten signature in black ink, appearing to read "Cody R. Layton", written in a cursive style.

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)
NM State Land Comm.

Determination - Approval - Certification

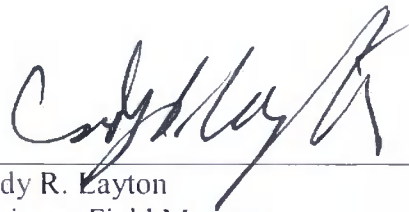
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 E2W2 of sec. 33, T. 23 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Delaware 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: 08/28/2018



Cody R. Layton
Assistant Field Manager
Lands and Minerals

Effective: May 1, 2015

Contract No.: Com. Agr. NMNM138381



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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620 E. Greene
Carlsbad, New Mexico 88220-6292
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In Reply Refer to
NM138381
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NMNM138381

Date of Completion:	05/08/2015
Date of First Production:	05/08/2015
Field:	Brinninstool
Operator, Well Name & No, API Number:	Devon Energy Prod. Co.; Thistle Unit 34H; 30-025-40719
Surface Location:	sec. 33, SESW, T.23 S., R.33 E.
Bottom Location:	sec. 33, NENW, T.23 S., R.33 E.
Total Depth:	13,231 MD; 8,702 TVD
Surface Elevation:	3661 GL
Producing Formation:	Delaware (8,863 – 12,843)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 307 BBL; Gas 151 MCF; Water 3198 BBL
Current Status:	Producing Oil Well

Remarks: CA NMNM138381, effective 05/01/2015, communitizes production of all gas and fluid hydrocarbons in the Delaware formation beneath sec. 33, E2W2, T. 23 S., R. 33 E., NMPM, and comprises 40 acres of State land in the Thistle Unit PA A, NMNM88526A and 120 acres of State land for a 160 acre well spacing unit, whose leases are held by actual production. This agreement will be terminated as soon as royalties and production are reported.

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

/S/ Deborah Ham
08/28/2018

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