

United States Department of the Interior



BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 https://www.blm.gov/new-mexico

In Reply Refer To: NMNM140083 3105.2 (9250)

MAR 2 3 2021

Reference:

Communitization Agreement Ender Wiggins 25 34 14 TB FC 3H

Section 11: W2W2; Section 14: W2NW.

T. 25 S., R. 34 E., N.M.P.M Lea County, New Mexico

Marathon Oil Permian LLC 5555 San Felipe Street Houston, TX 77056

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM140083 involving 80.00 acres of Federal land in lease NMNM108476, 80.00 acres of Federal land in NMNM113419, and 80.00 acres of Fee land in Lea County, New Mexico, which comprises a 240.00-acre well spacing unit.

The agreement communitizes all rights to all the crude oil and associated natural gas from the Bone Spring formation beneath W2W2 of Sec. 11 and W2NW of Sec. 14, T. 25 S., R. 34 E., NMPM, Lea County, New Mexico, and is effective February 4, 2019. 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.

If you have any questions regarding this approval, please contact Lauren Leib at 505-954-2234 or email lleib@blm.gov.

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

Sincerely,

Sheila Mallory
Deputy State Director
Division of Minerals

1 Enclosure

1 – Communitization Agreement

cc:

Office of Natural Resources Revenue Via – leases.blm.@onrr.gov

New Mexico Oil Conservation Division Via – dean.mcclure@state.nm.us

New Mexico Taxation & Revenue Processing Division P.O. Box 2308
Santa Fe, NM 87504

Commissioner of Public Lands New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148

NM9220, J. Serrano NMP0220, Carlsbad Field Office File Room NM9250, Case File

<u>Determination - Approval - Certification</u>

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 W2W2 of Sec. 11 and W2NW of Sec. 14, T. 25 S., R. 34 E., NMPM, as to all the crude oil and associated natural gas from the Bone Spring 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.

MAR 2 3 2021 Approved:

Deputy State Director

Division of Minerals

Effective: February 4, 2019

Contract No.: Com. Agr. NMNM140083