



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Albuquerque Field Office
435 Montañito Rd. NE
Albuquerque, New Mexico 87107-4935
www.nm.blm.gov

IN REPLY REFER TO:
NMNM 103465
3183 (010-amj)

FEB 22 2000

CERTIFIED--RETURN RECEIPT REQUESTED
Z 271 986 923



McElvain Oil and Gas Properties, Inc.
Attn: Mr. Steve Jordan
P.O. Box 2148
Santa Fe, NM 87504-2148

Dear Mr. Jordan:

Enclosed is an approved copy of Communitization Agreement NMNM 103465 involving 40.00 acres of land in Federal lease NMNM 98693, 120.00 acres of land in Federal lease NMNM 98694, 120.00 acres if land in Federal lease NMSF 079335A and 40.00 acres of Fee land, Rio Arriba County, New Mexico, comprising a 320.00 acre well spacing unit.

The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons from the Mesaverde formation in the N $\frac{1}{2}$, section 10, T. 25 N., R. 2 W., NMPM, Rio Arriba County, New Mexico, and is effective January 1, 2000. You are requested to furnish all interested principals with appropriate evidence of this approval.

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.

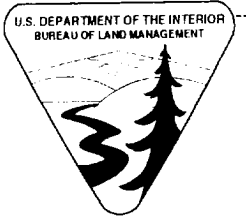
If you have any questions please contact me at (505) 761-8910.

Sincerely,

Angie Medina-Jones
Legal Instruments Examiner

Enclosure

✓ cc:
NMOCD
NM (010) Cuba Field Station
NMSO - Fluids Adj. Team 3
NMSO (Micrographics) - w/enclosure
MMS (MS-3133/Reference Data Branch)-w/Exhibit A&B



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Memorandum

To: State Director (93000)
Attn: Fluids Adj. Team 3

From: Legal Instruments Examiner

Subject: First Production, Communitization Agreement(CA) NMNM 103465

Date of Completion: January 12, 2000

Date of First Production: January 25, 2000

Pool: Dakota

Operator: McElvain Oil & Gas Properties, Inc.

Well Number/Name: Elk Com 10-1

Location: SHL - 1975' FNL & 950' FEL (SE $\frac{1}{4}$ NE $\frac{1}{4}$)
Sec. 10, T. 25 N., R. 2 W.
Rio Arriba County, New Mexico

Total Depth/Plug Back Depth: 5808'TVD

Producing Formation: Mesaverde

Initial Daily Production: 374 MCFPD, 20 BOPD, 30 BWPD

Well capable of Production
In Paying Quantities?:

Yes

Current Status: PGW

Remarks: Well is located on Fee land.



Angie Medina Jones

cc:

MMS, RMP, (MS-3133/Reference Data Branch), PO Box 25165, Denver, CO 80225

NMSO (Micrographics)

✓ NMOCD