



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
RECEIVED 008
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org
2011 SEP 13 P 11:46

September 9, 2011

BP America Production Company
501 Westlake Park Boulevard
Houston, Texas 77079

Re: Notice of Unit Termination
River Wolf Unit formerly named CITGO Empire Abo Unit
Eddy County, New Mexico

Gentlemen:

The Bureau of Land Management by their letter of August 23, 2011 has notified this office that they have terminated the River Wolf Unit formerly named CITGO Empire Abo Unit for non-production effective August 12, 2011.

The River Wolf Unit formerly named CITGO Empire Abo Unit covered the SE/4, E/2SW/4, SW/4SW/4 of Sec. 35-17S-27E and Lots 2, 3, of Section 2-18S-27E for a total of 361.06 acres.


Please be advised that pursuant to Article 22 of the CITGO Empire Abo Unit Agreement the Commissioner of Public Lands concurs with the Bureau of Land Management and has also terminated the River Wolf Unit formerly CITGO Empire Abo Unit Agreement effective August 12, 2011.

Please notify all interested parties of this action.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
Larry J. Roybal, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LR/pm

cc: Reader File,
NMOCED Attention: Mr. Ed Martin
TRD-Attention: Mr. Valdean Severson
RMD-Attn: Mr. Kurt McFall



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



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2011 AUG 29 P 11:49

NM70925X
3180 (P0220)

Reference:
Unit Termination
River Wolf Unit – NMNM70925X
Eddy County, New Mexico

AUG 23 2011

CERTIFIED – RETURN RECEIPT REQUESTED:
7008 3230 0002 0987 4878

BP America Production Company
501 Westlake Park Boulevard
Houston, Texas 77079

Gentlemen:

The River Wolf Unit, No. NM-70925X, Eddy County, New Mexico, as requested per letter received at BLM Carlsbad Field Office on August 15, 2011 and postage date stamp of August 12, 2011 is terminated effective August 12, 2011, pursuant to 43 CFR 3186.1.20.b which states the following:

“It is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substance in paying quantities in the formations tested hereunder, and after notice of intention to terminate this agreement on such ground is given by the Unit Operator to all parties in interest at their last known address, this agreement is terminated with the approval of the AO,”

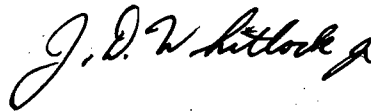
Thus, it has been determined that the River Wolf Unit wells (Abo formation) have been plugged and abandoned and are incapable of production of unitized substance in paying quantities. Pursuant to 43 CFR 3183.4(b), Public Interest requirement has been fulfilled, and the following leases NMLC028755A and NMLC057798 are entitled to a two year extension pursuant to 43 CFR 3107.3-2 and 3107.4. Leases NMLC028755A and NMLC057798 are both currently committed to the South Red Lake Unit II (NMNM109685X) and a Communitization Agreement (NM116936).

Copies of this letter are being distributed to the appropriate Federal agencies. It is requested that you furnish notice of this termination to each working interest owner, lessee and lessor.

If you have any questions regarding this termination, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. D. Whitlock".

For Don Peterson
Assistant Field Manager,
Lands and Minerals

cc:
Commissioner of Public Lands
ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)
NM Taxation & Revenue Dept. (Revenue Processing Div.)
NMOCD
NM (9210)
NM (P0220-CFO, File Room)