



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



IN REPLY REFER TO:
NM123453
3105.2 NM P0220

Cimarex
600 N Marienfeld St, #600
Midland, TX 79701

3/5/15

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2015 MAR 12 P 2:22

Gentlemen:

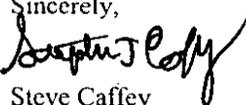
Communitization Agreement (CA) NM123453 was approved 7/17/09, effective as of 6/1/08. This agreement communitized the N2N2, sec. 28, T. 16 S., R. 29 E., NMPM, Eddy County, New Mexico, involving 40 acres of Federal land in lease NM990328, and 120 acres of Federal land in lease NM15007 comprising a 160 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Abo formation.

The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the well in the above-described communitized spacing unit, CA NM123453 (3001536140), Glenwood 28 Fed Com 2, located on Federal land in the N2N2, sec. 28, T. 16 S., R. 29 E., NMPM, Eddy County, New Mexico, produced from the communitized formation Abo. The communitized formation Abo was abandoned and the well plugged effective 8/04/14.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM123453 is considered to have expired by its own terms as of 8/31/14, the last day of the month during which the communitized formation was plugged and abandoned. Leases NM99032, and NM15007 are eligible for a two year extension to 8/31/16, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. Leases NM 99032, and NM15007 are held by production.

Please contact Edward G. Fernandez, Petroleum Engineer, (575) 234-2220, or at the letterhead address if any additional information is required.

Sincerely,

Steve Caffey
Assistant Field Manager,
Lands and Minerals

cc:
ONRR, Denver
New Mexico Taxation and Revenue Department, Revenue Processing Division,
NM 9200
NM P0220, File Room