



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:
NM114015
3105.2 NM P0220

Legacy Reserves Operating, LP
P.O. Box 50250
Midland, Texas 79710

FEB 05 2015

Gentlemen:

Communitization Agreement (CA) NM114015 was approved 12/12/05, effective as of 6/30/05. This agreement communitized the E2, sec. 33, T. 16 S., R. 31 E., NMPM, Eddy County, New Mexico involving 160.00 acres of Federal land in lease NMLC063368 and 160.00 acres of Federal land in lease NMLC056302B comprising a 320 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Morrow, Strawn, and Atoka formations.

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 NM114015 (3001534244), Oxy Bounder Fed Com 1; located on Federal land in the E2, sec. 33, T. 16 S., R. 31 E., NMPM, Eddy County, New Mexico, produced from the communitized formation Morrow. The communitized formation Morrow was abandoned and the well plugged effective 8/5/08.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM114015 is considered to have expired by its own terms as of 8/31/08, the last day of the month during which the communitized formation was plugged and abandoned. Leases NMLC063368, and NMLC056302B, are eligible for a two year extension to 8/31/2010, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. However, leases NMLC063368, and NMLC056302B are held by other 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

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