



30-015-43530

## 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](http://www.blm.gov/nm)



IN REPLY REFER TO:  
NMNM138464  
3105.2 (P0220)

10/02/2018

Reference:  
Communitization Agreement  
Partition 13 Fed Com NC #1H  
Section 13: E2W2  
T. 17 S., R. 31 E., N.M.P.M.  
Eddy County, NM

Burnett Oil Co., Inc.  
Burnett Plaza – Suite 1500  
801 Cherry Street – Unit 9  
Fort Worth, TX 76102-6881

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM138464 involving 40 acres of Federal land in lease NMLC 029415A, and 120 acres of Federal land in lease NMLC 029415B, Eddy County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Yeso formation beneath the E2W2, Sec. 13, T. 17 S., R. 31 E., NMPM, Eddy County, NM, and is effective February 1, 2018. 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.

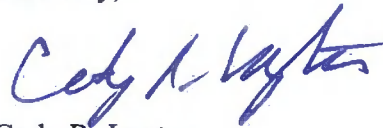
Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is 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 Chris Walls, Petroleum Engineer at (575) 234-2234, Deborah Ham at (575) 234-5965 or Margie Dupre at (505) 954-2142.

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

Sincerely,



Cody R. Layton  
Assistant Field Manager,  
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

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 E2W2 of sec. 13, T. 17 S., R. 31 E., NMPM, as to all producible hydrocarbons from the Yesso formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.
- 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.

Approved: 10/02/2018



---

Cody R. Layton  
Assistant Field Manager  
Lands and Minerals

Effective: February 1, 2018

Contract No.: Com. Agr. NMNM138464



# 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  
NM138464  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM138464

Date of Completion:	03/07/2018
Date of First Production:	03/07/2018
Field:	Fren
Operator, Well Name & No, API Number:	Burnett Oil Co.; Partition 13 Fed NC 1H; 30-015-43530
Surface Location:	sec. 24, NENW, T. 17 S., R. 31 E.
Bottom Location:	sec. 13, NENW, T. 17 S., R. 31 E.
Total Depth:	MD: 10,386'; TVD: 5,470
Surface Elevation:	3,907' GL
Producing Formation:	Yeso (5,164 – 5,253)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 393 BBL; Gas 396 MCF; Water 1760 BBL
Current Status:	Producing Oil Well

Remarks: CA NM138464, effective 02/01/2018, communitizes production of all gas and fluid hydrocarbons in the Yeso formation beneath sec. 13, E2W2, T. 17 S., R. 31 E., NMPM, and comprises 40 acres of Federal land in lease NMLC029415A and 120 acres of Federal land in lease NMLC029415B for a 160 acre well spacing unit, whose leases are held by actual production. Per penetration point for production, surface location of well is not within agreement boundary.

If you have any questions regarding this memorandum, please email Deborah Ham at dham@blm.gov.

/S/ Deborah Ham  
10/02/2018

cc:  
ONRR-MS 63230B  
First Production File  
LLNM (P0220, File Room)