



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd. Suite A
Farmington, New Mexico 87402

In Reply Refer To:
West Alamito Unit
NMNM133613X

September 29, 2015

P: 14002
C: 15300

Charles Bassett
WPX Energy
P.O. Box 3102
Tulsa, Oklahoma 74101-3202

Dear Mr. Bassett:

The West Alamito Unit Agreement, San Juan County, New Mexico was approved September 29, 2015. This agreement has been assigned case recordation number NMNM133613X. The basic information associated with this unit is as follows:

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1. This is an Undivided Unit and only the Mancos Formation is unitized.
2. This unit includes only Federal and Indian Allotted mineral interest.
3. The leases committed to the West Alamito Unit will not be horizontally segregated.
4. The test and initial obligation well will be the W Alamito Unit #463H located in the NE/4NW/4 of Section 1, T.22N., R.8W., (SHL) and with a (BHL) in E/2W/2 Section 1 and E/2 NW/4, T.22N., R.8W., San Juan County, New Mexico.

The Alamito Unit embraces 1,922.40 acres more or less, of which 1,122.40 acres is Federal mineral estate (58.39%) and 800.00 acres is Indian Allotted lands (41.61%). All lands embraced within the West Alamito Unit are fully committed.

In view of the foregoing commitment status, effective control of the unit area has been established. We are of the opinion that this agreement is in the public interest and for the purpose of more properly conserving natural resources.

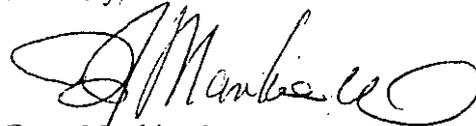
This unit provides for drilling of the obligation well and subsequent drilling obligations pursuant to Section 9 of the unit agreement and the Plan of Development. The obligation well is considered to be a contractual commitment on the part of the Unit Operator. No extension of time beyond **March 29, 2016** will be granted to commence the obligation well other than Unavoidable Delay (Section 23), where justified. Any extension granted for unavoidable delay requires convincing written justification and documentation prior to the critical date and is limited to 30 days with possible renewal for 30 day periods if the delay is extensive, with timely written documentation for each extension.

Pursuant to 43 CFR 3183.4(b) and Section 9 of the unit agreement, if the Public Interest Requirement is not fulfilled, the unit will be declared invalid, ab initio and no lease committed to this agreement shall receive the benefits pursuant to 43 CFR 3107.3-2 and 3107.4.

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.

Copies of the agreement are being distributed to the appropriate Federal and State agencies. You are requested to furnish all interested parties with appropriate evidence of this approval.

Sincerely,



Dave Mankiewicz
Assistant Field Manager, Minerals

9/29/15

Cc: Commissioner of Public Lands, Santa Fe, NM
New Mexico Oil Conservation Division
Office of Natural Resources Revenue (ONRR)
Federal Indian Minerals Office (FIMO)

Bcc: W Alamito Unit File
AFMSS/LR2000
NMF0111: 7/22/2014

West Alamito Unit Approval Certification-Determination Page

CERTIFICATE-DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, Under the Act approved February 25, 1920, 41 Stat., 437 as amended, 30 U.S.C. sec 181, et seq., and delegated to the Authorized Officer of the Bureau of Land Management, under the authority of 43 CFR 3180, I do hereby certify:

- A. Approve the attached agreement for the development and operation of the W Alamito Unit Area, San Juan County, New Mexico. This approval shall be considered invalid, ab initio if the public interest requirement under 3183.4(b) of this title is not met.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed or revoked to conform with the terms and conditions of this agreement.

Dated: September 29, 2015


Dave Mankiewicz 9/21/15
Assistant Field Manager, Minerals
Bureau of Land Management

Contract No. 133613X