



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201-1287



IN REPLY REFER TO:  
RNM-049  
3105.2 (06300)

March 15, 2000

Read and Stevens, Inc.  
P. O. Box 1518  
Roswell, New Mexico 88202

Gentlemen:

Communitization Agreement RNM-049 was approved November 3, 1983, effective as of October 12, 1982. This agreement communitized the SW $\frac{1}{4}$  sec. 4, T. 5 S., R. 25 E., NMPM, Chaves County, New Mexico involving 80.00 acres of Federal land in Federal lease NM-16783, 40.00 acres of Federal land in Federal lease NM-44514, and 40.00 acres of Fee land comprising a 160.00 acre spacing unit as to dry 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, your No. 1-Beard Federal Com., located on Federal Lease NM-16783 in the SW $\frac{1}{4}$ SW $\frac{1}{4}$  sec. 10, T. 5 S., R. 25 E. has not produced since being completed as shut-in gas well on December 1982. Our certified letter (Z 410 094 737) of January 10, 2000, giving you sixty (60) days in which to commence testing, reworking, or drilling operations was received by your office on January 11, 2000. A Notice of Intention to Abandon either the communitized formation (Abo) in the well and recompleting to the San Andres or the well was approved by this office on January 24, 2000. The well is now temporarily abandoned. Approval of the final abandonment is pending completion of the downhole plugging and surface restoration requirements. No operations to restore production or no production tests showing that the well is capable of production in paying quantities in the communitized formation (Abo) were commenced within the 60 days allowed by the aforementioned certified 60-day letter.

Accordingly without a well capable of producing communitized substances in paying quantities, CA RNM-049 is considered to have expired by its own terms as of January 11, 2000, the day the certified 60-day letter was received. Leases NM-16783 and NM-44514 committed to the CA will be extended by allocated production from CA's NM061P35-87C413 and SCR-336 respectively. If you have any further questions regarding this letter, please call David Glass of this office at (505) 627-0275.

Sincerely,

**/S/ Larry D. Bray**

Larry D. Bray  
Assistant Field Office Manager,  
Lands and Minerals

cc/  
NMOC-D-Artesia