



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:

SW-397

3105.2 (06300)

May 11, 2000

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

Gentlemen:

Communitization Agreement (CA) SW-397 was approved January 27, 1967, effective as of January 24, 1967. This agreement communitized N½ sec. 20, T. 18 S., R. 26 E., NMPM, Eddy County, New Mexico involving 40.00 acres of Federal land in lease NM-04182-A and 280.00 acres of Fee land comprising a 320.00 acre well spacing unit as to dry gas and associated liquid hydrocarbons producible from the Morrow 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-Irene Brainard located on Fee lease in the SW¼NW¼ sec. 20 last produced from the communitized formation during August 1999. The well was recompleted in the San Andres March 9, 2000.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA SW-397 is considered to have expired by its own terms as of March 9, 2000, the day the communitized formation (Morrow) in the well was abandoned. Lease NM-04182-A will be held by allocated production from CA SW-582.

Please contact David Glass at (505) 627-0275 or at the letterhead address if any additional information is required.

Sincerely,

/S/ Larry D. Bray

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

cc:
☒ MOCD-Artesia