

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201-1287

January 27, 2000

IN REPLY REFER TO: NM-82028 3105.2 (06300)

Griffin Petroleum Company Attention: Mr. Eric Griffin 550 West Texas, Suite 1240 Midland, Texas 79701

Gentlemen:

Communitization Agreement (CA) NM-82028 was approved August 11, 1989, effective as of April 13, 1989. This agreement communitized the N¹/₂ sec. 22, T. 24 S., R. 28 E., NMPM, Eddy County, New Mexico involving 160.00 acres of Federal land in lease NM-82028 and 160.00 acres of Fee land as to dry gas and associated liquid hydrocarbons producible from the Atoka 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-Willow Lake Com located on Federal lease NM-20360 in the NE¹/₄NW¹/₄ sec. 22 last produced from the communitized formation during April 1992. A Notice of Intention to Abandon (NIA) the communitized formation (Atoka) and convert the well to a Water Injection Well (WIW) subject to like approval by the New Mexico Oil Conservation Division was approved by this office on May 21, 1999. The well was plugged back and converted to a WIW on May 25, 1999.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM-82028 is considered to have expired by its own terms as of May 21, 1999, the day that the NIA the communitized formation (Atoka) was approved. Lease NM-20360 will be extended by allocated production from CA NM061P35-84C414.

Please contact Mary Lou Ormseth at (505) 627-0258 or 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



