



## 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)



2014 SEP -9 P 3: 06

IN REPLY REFER TO:

NM133253

3105.2 (P0220)

Reference:

Burton Flat Deep Unit 48H

sec. 28, T. 20 S., R. 28 E.

Eddy County, NM

SEP 05 2014

Devon Energy Production Company  
333 West Sheridan Avenue  
Oklahoma City, OK 73102-5105

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM133253 involving 40 acres of Federal land in lease NMNM36531, 40 acres of Federal land in lease NMNM0401842, 80 acres of Federal land in lease NMNM0490463, and 80 acres of State land in lease ST NM L-6322-4, Eddy County, New Mexico, which comprise a 240 acre well spacing unit, whose leases are held by actual production.

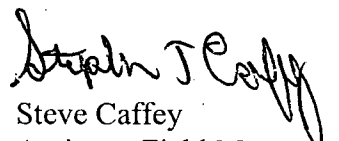
The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath T. 20 S., R. 28 E., E2SE sec. 28, E2E2 sec. 33, NMPM, and is effective 1/1/13. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

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 Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

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

Sincerely,

  
Steve Caffey  
Assistant Field Manager,  
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

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

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

Determination - Approval - Certification

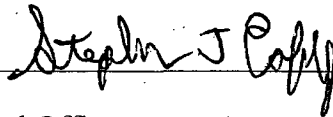
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 T. 20 S., R. 28 E., E2SE sec. 28, E2E2 sec. 33, NMPM, as to all producible hydrocarbons from the Bone Spring formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- 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:



Authorized Officer  
Steve Caffey  
Assistant Field Manager

Effective: 1/1/13

Contract No.: Com. Agr. NM133253



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## BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 E. Greene  
Carlsbad, New Mexico 88220-6292  
www.nm.blm.gov



In Reply Refer to  
NM133253  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM133253

Date of Completion:	4/6/13
Date of First Production:	4/6/13
Field:	Avalon Bone Spring, East
Operator, Well Name & No, API Number:	Devon; Burton Flat Deep Unit 48H; 3001540518
Surface Location:	Sec. 28, T. 20 S., R. 28 E.
Total Depth:	13,648 MD; TVD 6,518.
Surface Elevation:	3,221 GL
Producing Formation:	Bone Spring (6,758 – 13,569)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 170 BBL; Gas 200 MCF; Water 1,273 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM133253, effective 1/1/13, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath T. 20 S., R.28 E., E2SE sec. 28, E2E2 sec. 33, NMPM, and comprises 40 acres of Federal land in lease NMNM36531, 40 acres of Federal land in lease NMNM0401842, 80 acres of Federal land in lease NMNM0490463, and 80 acres of State land in lease ST NM L-6322-4, for a 240 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please email Arthur Morrison at [ajmorrison@blm.gov](mailto:ajmorrison@blm.gov).

/S/ Arthur Morrison  
September 5, 2014

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