



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



IN REPLY REFER TO:

NM131814

3105.2 (P0220)

Reference:

Endurance 36 State Com 4H

T. 26 S., R. 33 E.,

Section 36: Lot 4, NWNW

Section 25: W2W2

Lea County, NM

SEP 30 2014

RECEIVED OGD
2014 OCT -8 P 2:50

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM131814 involving 76.12 acres of State land and 160 acres of Federal land in lease NM122622, Lea County, New Mexico, which comprise a 236.12 acre well spacing unit.


The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the W2W2 of sec. 25, T. 26 S., R. 33 E., and NWNW, Lot 4 of sec. 36, T. 26 S., R. 33 E., NMPM, and is effective March 1, 2013. 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

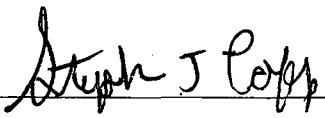
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 the W2W2 of sec. 25, T. 26 S., R. 33 E., and NWNW; Lot 4 of sec. 36, T. 26 S., R. 33 E., 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

Effective: March 1, 2013

Contract No.: Com. Agr. NM131814



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Carlsbad, New Mexico 88220-6292
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In Reply Refer to
NM131814
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM131814

Date of Completion:	August 31, 2013
Date of First Production:	September 1, 2013
Field:	Bradley
Operator, Well Name & No, API Number:	EOG Resources; Endurance 36 State Com 4H; 30-025-41084
Surface Location:	SWSW sec. 36, T. 26 S., R. 33 E.
Total Depth:	16,807' MD; 9,966' TVD
Surface Elevation:	3,336' GL
Producing Formation:	Bone Spring (10,165' – 16,781')
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 749 BBL; Gas 1042 MCF; Water 1276 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM131814, effective 03/01/2013, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the W2W2 of sec. 25, T. 26 S., R. 33 E., and NWNW, Lot 4 of sec. 36, T. 26 S., R. 33 E., NMPM, and is comprized of 76.12 acres of State land and 160 acres of Federal land in lease NM122622 for a 236.12 acre spacing unit.

If you have any questions regarding this memorandum, please email Arthur Morrison, ajmorrison@blm.gov.

/S/ Arthur Morrison
9/30/2014

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