



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

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2014 NOV -4 P 3:56



NM72010  
3105.2 (P0220)

30-015-22474

Dinero Operating Company  
Box 10505  
Midland, TX 79702

OCT 29 2014

Gentlemen:

Communitization Agreement NM72010 was approved May 9, 1978, effective, April 25, 1978. This agreement communitized the N2 of sec. 22, T. 22 S., R.28 E., NMPM, Eddy County, New Mexico involving 40 acres of land in Federal lease NMLC069142A, and 280 acres of Fee land, comprising a 320 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Morrow formation.

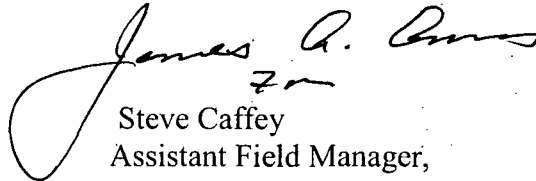
The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the subject well in the above-described communitized spacing unit, CA NM72010 (3001522474), located on Fee land in the N2 of sec. 22, T. 22 S., R.28 E., produced from the Morrow formation. The Morrow formation last produced February 1, 1998.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM72010 is considered to have expired by its own terms as of February 28, 1998, the last day of the month during which the Morrow formation last produced. Lease NMLC069142A, is eligible for a two year extension ending February 28, 2000, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. However, lease NMLC069142A is held by production.

If you have any questions regarding this termination, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

Sincerely,

A handwritten signature in dark ink, appearing to read "James A. Caffey" with a stylized flourish at the end.

Steve Caffey  
Assistant Field Manager,  
Lands and Minerals

cc:

ONRR, Denver  
New Mexico Taxation and Revenue Department, Revenue Processing Division,  
NM 9200  
NM P0220, File Room