



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:
NM72271
3105.2 (P0220)

NOV 07 2014

OXY USA WTP Ltd.
5 Greenway Plaza, Suite 110
Houston, TX 77210-1505

Gentlemen:

Communitization Agreement NM72271 was approved 1/25/1983, effective as of 8/20/1980. This agreement communitized S2 of sec. 17, T. 20 S., R. 28 E., NMPM, Eddy County, New Mexico involving 240.00 acres of Federal land in lease NM15003 and 80.00 acres of Federal land in lease NM17220 which comprise a 320.00 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Morrow formation.

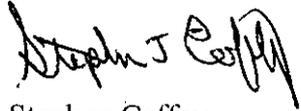
The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the well, Gov AG 1, 3001523254, in the above-described communitized spacing unit, NM72271, the S2 of sec. 17, T. 20 S., R. 28 E., NMPM last produced June 1, 2011.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NM72271 is considered to have expired by its own terms as of June 30, 2011, the last day of the month of last production. Leases NM15003, and NM17220 are eligible for a two year extension ending June 30, 2013, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. Leases NM15003, and NM17220 are held by production.

Please contact Edward G Fernandez, Petroleum Engineer at 575-234-2220 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen J. Caffey". The signature is stylized and written in a cursive-like font.

Stephen 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