

## **United States Department of the Interior**

RECEIVED OBUBEAU OF LAND MANAGEMENT Peccos District

2015 JAN 27 P 3: 21 Carlsbad Field Office 620 E. Greene

Carlsbad, New Mexico 88220-6292 www.blm.gov/nm

IN REPLY REFER TO: NM105333 3105.2 (P0220



OXY USA WTP Ltd. Box 50250 Midland, TX 79710-0250

January 14, 2015

## Gentlemen:

Communitization Agreement NM105333 was approved 12/18/2000, effective as of 11/15/2000. This agreement communitized the E2 of sec. 18, T. 23 S., R. 26 E., NMPM, Eddy County, New Mexico involving 200.00 acres of State land, and 120.00 acres of Federal land in lease NMNM92900 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, OXY Honest John State 1, 3001531466, in the above-described communitized spacing unit, NMNM105333, under the E2 of sec. 18, T. 23 S., R. 26 E., NMPM, produced from the Morrow formation. The Morrow was plugged and abandoned effective 4/1/2012.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, CA NMNM105333 is considered to have expired by its own terms as of 4/30/2012, the last day of the month in which the well was plugged and abandoned. Lease NMNM92000 is eligible for a two year extension ending 6/30/2014, pursuant to 43 CFR 3107.4 as a result of the termination of the subject agreement. Lease NMNM92000 is held by other production.

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

Sincercly, Stephen Colly

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