

30-025-41834

## 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)



IN REPLY REFER TO:

NM136510

3105.2 (P0220)

Reference:

Communitization Agreement

11/21/2016

Cordoniz 28 Fed Com 4H

Sec. 28: E2E2

T. 19 S., R.34 E.

Lea County, NM

Cimarex Energy Co.  
600 N. Marienfeld, Suite 600  
Midland, TX 79701

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM136510 involving 120 acres of Federal land in lease NM56263, and 40 acres of Federal land in lease NM57285, Lea County, New Mexico, which comprise a 160-acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath Sec. 28: E2E2, T. 19 S., R.34 E., NMPM, Lea County, NM, and is effective 07/01/2014. 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.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

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.

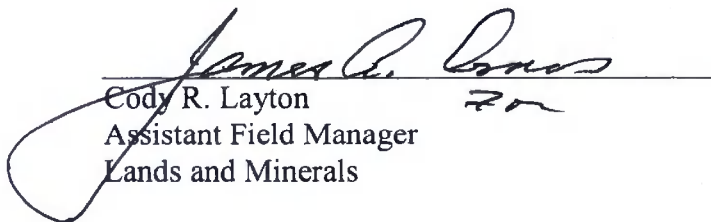
If you have any questions regarding this approval, please contact Chris Walls, Petroleum Engineer at (575) 234-2234 or Deborah Ham at (575) 234-5965.

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 beneath sec. 28: E2E2, T. 19 S., R. 34 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 (c) are not met.
- 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: 11/21/2016

  
Cody R. Layton  
Assistant Field Manager  
Lands and Minerals

Effective: 07/01/2014

Contract No.: Com. Agr. NM136510



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## BUREAU OF LAND MANAGEMENT

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



In Reply Refer to  
NM136510  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM136510

Date of Completion:	10/15/2014
Date of First Production:	09/18/2014
Field:	Quail Ridge
Operator, Well Name & No, API Number:	Cimarex Energy Co.; Cordoniz 28 Fed Com 4H; 30-025-41834
Surface Location:	sec. 28, SESE, T.19 S., R.34 E.
Bottom Location:	sec. 28, NENE, T.19 S., R.34 E.
Total Depth:	15,386 MD; 10,798 TVD
Surface Elevation:	3,700 GL
Producing Formation:	Bone Spring (10,880 – 15,355)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 677 BBL; Gas 691 MCF; Water 556 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM136510, effective 07/01/2014, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath sec. 28, E2E2, T. 19 S., R. 34 E., NMPM, and comprises 120 acres of Federal land in lease NMNM56263, 40 acres of Federal land in lease NMNM57285, for a 160 acre well spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Deborah Ham at (575) 234-5965.

/S/ Deborah Ham  
11/21/2016

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