



## 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)



APR 17 2018 AM 09:29

IN REPLY REFER TO:  
NMNM137579  
3105.2 (P0220)

04/11/2018

Reference:  
Communitization Agreement  
Calm Breeze 2 Fed Com 701H & 702H  
Section 02: E2SW  
Section 11: E2W2  
T. 26 S., R. 33 E., N.M.P.M.  
Lea County, NM

EOG Resources Inc.  
Attn: Gavin Smith  
5509 Champions Drive  
Midland, TX 79706

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM137579 involving 160 acres of Federal land in lease NMNM 0359292, and 80 acres in State land, Lea County, New Mexico, which comprise a 240.00 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the E2W2 of Section 11, and E2SW of Section 02, T. 26 S., R. 33 E, NMPM, Lea County, NM, and is effective July 1, 2017. 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.

Determination - Approval - Certification

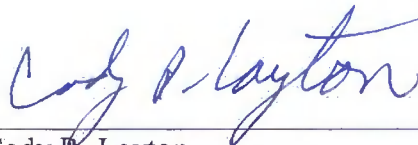
Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- 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 E2W2 of Section 11, and E2SW of Section 02, T. 26 S., R. 33 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) 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: 04/11/2018



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Cody R. Layton  
Assistant Field Manager  
Lands and Minerals

Effective: July 1, 2017

Contract No.: Com. Agr. NMNM137579



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IN REPLY REFER TO:  
NM137579  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM137579

Date of Completion:	10/13/2017
Date of First Production:	10/13/2017
Field:	Bobcat Draw
Operator, Well Name & No, API Number:	EOG Resources Inc.; Calm Breeze 2 Fed Com 701H; 30-025-43645
Surface Location:	Sec. 2, NESW, T. 26 S., R 33 E.
Bottom Location:	Sec. 11, SESW T. 26 S., R. 33 E.
Total Depth:	19,871 MD; 12,456 TVD
Total Elevation:	3,324 GL
Producing Formation:	Wolfcamp (12,649-19,774)
Well Capable of Production in Paying Quantities:	Yes
Initial Daily Production:	Oil 2580 BBL; Gas 4570 MCF; Water 6984 BBL
Current Status:	Producing Oil Well
Remarks:	CA NM137579, effective 07/01/2017, communitizes production of all gas and fluid hydrocarbons in the Wolfcamp formation beneath Sec. 2, E2SW and Sec. 11, E2W2, T26S, R33E, NMPM, and comprises 160 acres of Federal land in lease NMNM0359292, and 80 acres of State land for a 240 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**  
04/11/2018

cc:  
ONRR-Denver  
First Production File  
LLNM (P0220, File Room)