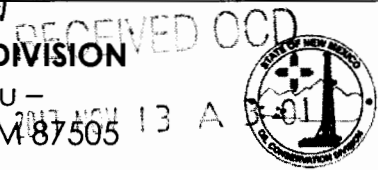


|                                |                         |                     |                                 |
|--------------------------------|-------------------------|---------------------|---------------------------------|
| RECEIVED:<br><i>11/13/2017</i> | REVIEWER:<br><i>MAM</i> | TYPE:<br><i>OLM</i> | APP NO:<br><i>DMA1731757761</i> |
|--------------------------------|-------------------------|---------------------|---------------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** APACHE CORP. **OGRID Number:** 873  
**Well Name:** Hawk B-1 #016 **API:** 30-025-26601  
**Pool:** Eunice; San Andres, North (Gas) **Pool Code:** 76250

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

*OLM-122*

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM
- [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

| FOR OCD ONLY             |                              |
|--------------------------|------------------------------|
| <input type="checkbox"/> | Notice Complete              |
| <input type="checkbox"/> | Application Content Complete |

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Reesa Fisher \_\_\_\_\_

Print or Type Name

Reesa Fisher \_\_\_\_\_

Signature

10/5/2017  
Date

432-818-1062  
Phone Number

Reesa.Fisher@apachecorp.com  
e-mail Address

Digitally signed by Reesa Fisher  
Date: 2017.10.05 14:42:52 -0500

District I  
1625 N. French Dr. Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1100 Rio Brazos Blvd., Artesia, NM 87411  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr. Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

**HOBBS OCD**  AMENDED REPORT

OCT 10 2017

WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |  |  |  |   |                                    |
|---|--|--|--|---|------------------------------------|
| <sup>1</sup> API Number<br>30-025-26601 |  | <sup>2</sup> Pool Code<br>76520                  |  | <sup>3</sup> Well Name<br>Eunice; San Andres, North |                                    |
| <sup>4</sup> Property Code<br>24427     |  | <sup>5</sup> Property Name<br>Hawk B-1 FEDERAL   |  |   | <sup>6</sup> Well Number<br>016    |
| <sup>7</sup> OGRID No.<br>873           |  | <sup>8</sup> Operator Name<br>Apache Corporation |  |   | <sup>9</sup> Elevation<br>3499' GR |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N             | 08      | 21S      | 37E   |         | 660           | South            | 1980          | West           | Lea    |

<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|  |                               |                                  |                         |
|--|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>80/60 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|--|-------------------------------|----------------------------------|-------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

|  |   |
|--|---|
|  | <p><b>" OPERATOR CERTIFICATION</b><br/>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order effective entered by the division.</p> <p>Reesa Fisher<br/>Signature<br/>9/20/2017<br/>Date</p> <p>Reesa Fisher<br/>Printed Name</p> <p>Reesa.Fisher@apachecorp.com<br/>E-mail Address</p> |
|  | <p><b>"SURVEYOR CERTIFICATION</b><br/>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>  |
|  | <p>Certificate Number</p>   |

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM90161

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.  
NMNM120042X

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HAWK B-1 16

2. Name of Operator  
APACHE CORPORATION

Contact: REESA FISHER  
E-Mail: Reesa.Fisher@apachecorp.com

9. API Well No.  
30-025-26601

3a. Address  
303 VETERANS AIRPARK LANE SUITE 3000  
MIDLAND, TX 79705

3b. Phone No. (include area code)  
Ph: 432-818-1062

10. Field and Pool or Exploratory Area  
EUNICE;SAN ANDRES,N (GAS)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 8 T21S R37E SESW 660FSL 1980FWL

11. County or Parish, State  
LEA COUNTY COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen               | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off   |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity   |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction     | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon     | <input type="checkbox"/> Temporarily Abandon       | Surface Comminglin                        |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back            | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

APACHE Corporation respectfully requests permission for surface commingling, off-lease measurement and sales and a variance from Onshore Order 5 for gas measurement for the Hawk B-1 #16 (NMNM90161; SESW (N) Sec 08 T21S R37E 660 FSL & 1980 FWL) at the WBDU central tank battery (NMNM120042X), located in the NWNW (D) Sec 16, T21S, R37E.

NAME CHANGE REQUEST FROM WBDU 43 TO Hawk B-1 #16 ON 10/1/2017.

See attached detailed commingling information, diagram, maps, Serial Register pages, interest owner information, Gas Marketing letter, and Unit well list.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #391011 verified by the BLM Well Information System  
For APACHE CORPORATION, sent to the Hobbs**

|                                   |                                   |
|-----------------------------------|-----------------------------------|
| Name (Printed/Typed) REESA FISHER | Title SR STAFF REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 10/05/2017                   |

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |             |              |
|---|-------------|--------------|
| Approved By _____   | Title _____ | Date _____   |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. |             | Office _____ |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**APPLICATION FOR COMMINGLING & OFF-LEASE MEASUREMENT AT A WATERFLOOD TANK BATTERY**

**Proposal for WBDU Facility and Hawk B-1 #16:**

Apache Corporation is requesting approval for the Off-lease Measurement & Sales of gas for the following well(s):

**Federal Lease NMNM90161 (Royalty Rate – Sliding – Sch D)**

| Well Name    | Location                 | API #        | Pool 76520      | Gas MCFD | Gas BTU/MCF | \$/MCF* |
|--------------|--------------------------|--------------|-----------------|----------|-------------|---------|
| Hawk B-1 #16 | SESW, Sec.08, T21S, R37E | 30-025-26601 | WSW; SAN ANDRES | 71       | 1123        | \$0.00  |

Facility information where measurement and sales is taking place is as follows:

**Federal Unit NMNM120042X & Associated Wells (List Attached)**

| Facility Name               | Location                  | State Lease # | Pool 22900               | Gas MCFD | Gas BTU/MCF | \$/MCF* |
|-----------------------------|---------------------------|---------------|--------------------------|----------|-------------|---------|
| West Blinebry Drinkard Unit | NWNW, Sec. 16, T21S, R37E | STNMB0-1557   | EUNICE; BLI-TU-DR, NORTH | 500      | 1295        | \$2.56  |

| Combined            | Location                  |  | Pool 76520 & 22900                   | Gas MCFD | Gas BTU/MCF | \$/MCF* |
|---------------------|---------------------------|--|--------------------------------------|----------|-------------|---------|
| Combined Gas at FMP | NWNW, Sec. 16, T21S, R37E |  | EUNICE; SAN ANDRES, NORTH; BLI-TU-DR | 571      | 1137        | \$2.56  |

\*Note: Estimated gas sales price. Actual \$/MCF varies based on market conditions and gas heating value. See Brad Yarbrough Gas Marketing letter.

**Surface commingling & off-lease measurement and sales for the Hawk B-1 #16 (Hawk):**

The combined water/gas produced fluid will enter a two-phase separator (Hawk Separator) located at the existing WBDU Central Battery (D-16-21S-37E) within the Unit (NMNM120042X) and then be measured through a WBDU Facility Measurement Point (FMP). The production from the well will be transferred to the facility utilizing an existing line, so there will be no new surface disturbance needed for this request. The water will exit the bottom of the Hawk Separator and flow to the existing WBDU Water Storage Tanks to support the WBDU Waterflood. Gas from the Test Separator will be continually metered for allocation using meter #A1056 (Apache owned/operated Hawk FMP) and then combined with the produced gas from WBDU (NMNM120042X) for sales via a WBDU FMP. A map is attached showing well pad, production line, facility, lease boundary, and location of FMP's. Gas analysis data is included for lease gas and combined gas.

Royalty will be guaranteed and not be negatively impacted by the approval of this sundry notice. The composition of Hawk gas alone does not meet pipeline specifications; therefore, the gas will be blended and sold with other WBDU produced gas, but it will not result in a decrease in any FMP sales value. Federal Royalty will be paid on Hawk meter volumes, which will be deducted from WBDU sales.

**Gas metering:**

The central tank battery (WBDU Tank Battery NMNM120042X) is located in Unit D-Sec. 16, T21S, R37E. The gas produced from the Hawk B-1 #16 (SESW of Sec. 08, T21S, 37E; NMNM90161) will enter the Hawk B-1 #16 two phase separator located at the WBDU Central Tank Battery. The gas will exit the top of the Hawk separator and be metered continuously through a Hawk B-1 #16H gas meter #A1056 immediately downstream of the separator. Once metered, the gas will be delivered to multiple WBDU (NMNM120042X) satellites where it will be blended with WBDU produced gas for sales via a WBDU FMP. (Map Attached)

Water produced from the Hawk B-1 #16 will exit the bottom of the Hawk separator and be sent to water tanks at the WBDU battery to be utilized by the existing waterflood.

Meters will be proven as per API, NMOCD, and BLM specifications.

**Process and Flow Descriptions:**

The flow of production is shown in detail on the enclosed facility diagram and map which shows the lease boundaries, location of wells and flow lines, facility, and FMP's. The commingling of this gas is the most effective economical means of producing the reserves, providing safety for employees and the public, and will not result in reduced royalty or improper measurement of gas.

A central tank battery is located in Unit D, Section 16, T21S, R37E, on Federal Unit NMNM120042X in Lea County, New Mexico. The production from the Hawk B-1 #16 well will be routed to WBDU Tank Battery utilizing an existing line. After separation the water will go to common water tanks. The gas will be measured after separation and then measured gas will be blended with WBDU gas at an existing FMP, for off-site sales.

The Hawk B-1 #16 will require off-lease measurement and sales of gas.

Once reverted back to the lease, the only interest owners will be Apache and Chevron (signed notification letter attached).

**Economic Combined Production**

|                         |                | Hawk B-1 #16   | WBDU FMP       | Total          |
|-------------------------|----------------|----------------|----------------|----------------|
| Estimated Flow (MSCFD)  |                | 70             | 1200           | 1270           |
| HHV (BTU/SCF)           |                | 811.9          | 1294.1         | 1267.5         |
| Energy Flow (MMBTU/Day) |                | 56.8           | 1552.9         | 1609.8         |
| MW                      |                | 23.9           | 22.0           | 22.1           |
| Mole %                  | MW (lb/lb-mol) |                |                |                |
| Methane                 | 16.04          | 67.98%         | 73.30%         | 73.01%         |
| Ethane                  | 30.07          | 1.52%          | 11.85%         | 11.28%         |
| Propane                 | 44.1           | 0.65%          | 6.00%          | 5.70%          |
| i-Butane                | 58.12          | 0.16%          | 0.66%          | 0.63%          |
| n-Butane                | 58.12          | 0.16%          | 1.81%          | 1.72%          |
| i-Pentane               | 72.15          | 0.12%          | 0.44%          | 0.42%          |
| n-Pentane               | 72.15          | 0.03%          | 0.54%          | 0.51%          |
| Hexane                  | 86.18          | 0.32%          | 1.27%          | 1.22%          |
| Heptane                 | 100.21         | 0.00%          | 0.00%          | 0.00%          |
| Octane                  | 114.23         | 0.00%          | 0.00%          | 0.00%          |
| Nonane                  | 128.2          | 0.00%          | 0.00%          | 0.00%          |
| Decane                  | 142.29         | 0.00%          | 0.00%          | 0.00%          |
| Nitrogen                | 14.01          | 1.39%          | 1.72%          | 1.70%          |
| CO2                     | 44.01          | 20.68%         | 0.48%          | 1.59%          |
| H2S                     | 34.08          | 7.00%          | 0.20%          | 0.57%          |
| H2O                     | 18.02          | 0.00%          | 1.74%          | 1.65%          |
|                         |                |                |                |                |
| <b>Total</b>            |                | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> |

**WEST BLINEBRY DRINKARD UNIT (WBDU)**  
**UNIT NMNM120042X**

| Well                             | API          | Lease        | Unit Letter | Section | Township | Range | Footages           |
|----------------------------------|--------------|--------------|-------------|---------|----------|-------|--------------------|
| WEST BLINEBRY DRINKARD UNIT #001 | 30-025-06403 | FEE          | 15          | 4       | 21S      | 37E   | 3300 FSL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #002 | 30-025-36811 | FEE          | 15          | 4       | 21S      | 37E   | 3480 FSL, 1650 FEL |
| WEST BLINEBRY DRINKARD UNIT #003 | 30-025-37983 | FEE          | J           | 4       | 21S      | 37E   | 2630 FSL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #004 | 30-025-38229 | FEE          | J           | 4       | 21S      | 37E   | 1330 FSL, 1440 FEL |
| WEST BLINEBRY DRINKARD UNIT #005 | 30-025-06442 | FEE          | G           | 9       | 21S      | 37E   | 1980 FNL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #006 | 30-025-06443 | FEE          | B           | 9       | 21S      | 37E   | 660 FNL, 1980 FEL  |
| WEST BLINEBRY DRINKARD UNIT #007 | 30-025-06395 | FEE          | N           | 4       | 21S      | 37E   | 660 FSL, 1650 FWL  |
| WEST BLINEBRY DRINKARD UNIT #008 | 30-025-06397 | FEE          | I           | 4       | 21S      | 37E   | 1980 FSL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #009 | 30-025-06444 | FEE          | H           | 9       | 21S      | 37E   | 1980 FNL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #010 | 30-025-06445 | FEE          | A           | 9       | 21S      | 37E   | 660 FNL, 585 FEL   |
| WEST BLINEBRY DRINKARD UNIT #012 | 30-025-36340 | FEE          | B           | 9       | 21S      | 37E   | 1210 FNL, 1470 FEL |
| WEST BLINEBRY DRINKARD UNIT #013 | 30-025-36314 | FEE          | P           | 4       | 21S      | 37E   | 130 FSL, 1270 FEL  |
| WEST BLINEBRY DRINKARD UNIT #014 | 30-025-37030 | FEE          | G           | 9       | 21S      | 37E   | 1330 FNL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #015 | 30-025-37031 | FEE          | P           | 4       | 21S      | 37E   | 1310 FSL, 430 FEL  |
| WEST BLINEBRY DRINKARD UNIT #016 | 30-025-37200 | FEE          | H           | 9       | 21S      | 37E   | 2310 FNL, 430 FEL  |
| WEST BLINEBRY DRINKARD UNIT #017 | 30-025-37463 | FEE          | I           | 4       | 21S      | 37E   | 2310 FSL, 350 FEL  |
| WEST BLINEBRY DRINKARD UNIT #018 | 30-025-38281 | FEE          | O           | 4       | 21S      | 37E   | 145 FSL, 2630 FEL  |
| WEST BLINEBRY DRINKARD UNIT #019 | 30-025-38540 | FEE          | N           | 4       | 21S      | 37E   | 145 FSL, 1460 FWL  |
| WEST BLINEBRY DRINKARD UNIT #020 | 30-025-06432 | NMLC 031741A | H           | 8       | 21S      | 37E   | 1980 FNL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #021 | 30-025-06440 | NMLC 031741A | E           | 9       | 21S      | 37E   | 1980 FNL, 660 FWL  |
| WEST BLINEBRY DRINKARD UNIT #022 | 30-025-06389 | NMLC 031741A | M           | 4       | 21S      | 37E   | 660 FSL, 660 FWL   |
| WEST BLINEBRY DRINKARD UNIT #023 | 30-025-21225 | NMLC 031741A | D           | 9       | 21S      | 37E   | 660 FNL, 660 FWL   |
| WEST BLINEBRY DRINKARD UNIT #024 | 30-025-21621 | NMLC 031741A | G           | 8       | 21S      | 37E   | 1980 FNL, 1980 FWL |
| WEST BLINEBRY DRINKARD UNIT #025 | 30-025-26265 | NMLC 031741A | C           | 8       | 21S      | 37E   | 990 FNL, 1980 FWL  |
| WEST BLINEBRY DRINKARD UNIT #026 | 30-025-26967 | NMLC 031741A | A           | 8       | 21S      | 37E   | 990 FNL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #027 | 30-025-27599 | NMLC 031741A | B           | 8       | 21S      | 37E   | 840 FNL, 1980 FEL  |
| WEST BLINEBRY DRINKARD UNIT #028 | 30-025-36339 | NMLC 031741A | H           | 8       | 21S      | 37E   | 1420 FNL, 150 FEL  |
| WEST BLINEBRY DRINKARD UNIT #029 | 30-025-38194 | NMLC 031741A | D           | 9       | 21S      | 37E   | 1310 FNL, 1310 FWL |
| WEST BLINEBRY DRINKARD UNIT #030 | 30-025-38195 | NMLC 031741A | G           | 8       | 21S      | 37E   | 2630 FNL, 1330 FEL |
| WEST BLINEBRY DRINKARD UNIT #031 | 30-025-38196 | NMLC 031741A | E           | 9       | 21S      | 37E   | 2528 FNL, 1250 FWL |
| WEST BLINEBRY DRINKARD UNIT #032 | 30-025-06437 | NMNM 90161   | F           | 9       | 21S      | 37E   | 1980 FNL, 1980 FWL |
| WEST BLINEBRY DRINKARD UNIT #033 | 30-025-06438 | NMNM 90161   | J           | 9       | 21S      | 37E   | 1980 FSL, 1980 FEL |

| Well                             | API          | Lease        | Unit Letter | Section | Township | Range | Footages           |
|----------------------------------|--------------|--------------|-------------|---------|----------|-------|--------------------|
| WEST BLINEBRY DRINKARD UNIT #034 | 30-025-09909 | NMNM 90161   | C           | 9       | 21S      | 37E   | 660 FNL, 1980 FWL  |
| WEST BLINEBRY DRINKARD UNIT #035 | 30-025-09910 | NMNM 90161   | L           | 9       | 21S      | 37E   | 1980 FSL, 660 FWL  |
| WEST BLINEBRY DRINKARD UNIT #036 | 30-025-09908 | NMNM 90161   | K           | 9       | 21S      | 37E   | 1980 FSL, 1980 FWL |
| WEST BLINEBRY DRINKARD UNIT #037 | 30-025-06439 | NMNM 90161   | P           | 9       | 21S      | 37E   | 660 FSL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #038 | 30-025-09906 | NMNM 90161   | O           | 9       | 21S      | 37E   | 660 FSL, 1980 FEL  |
| WEST BLINEBRY DRINKARD UNIT #039 | 30-025-06441 | NMNM 90161   | M           | 9       | 21S      | 37E   | 660 FSL, 660 FWL   |
| WEST BLINEBRY DRINKARD UNIT #040 | 30-025-06433 | NMNM 90161   | P           | 8       | 21S      | 37E   | 660 FSL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #041 | 30-025-06434 | NMNM 90161   | I           | 8       | 21S      | 37E   | 1980 FSL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #042 | 30-025-20178 | NMNM 90161   | I           | 9       | 21S      | 37E   | 1980 FSL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #043 | 30-025-26601 | NMNM 90161   | N           | 8       | 21S      | 37E   | 660 FSL, 1980 FWL  |
| WEST BLINEBRY DRINKARD UNIT #044 | 30-025-26266 | NMNM 90161   | K           | 8       | 21S      | 37E   | 2093 FSL, 1867 FWL |
| WEST BLINEBRY DRINKARD UNIT #045 | 30-025-36344 | NMNM 90161   | N           | 9       | 21S      | 37E   | 1040 FSL, 1470 FWL |
| WEST BLINEBRY DRINKARD UNIT #046 | 30-025-37020 | NMNM 90161   | J           | 8       | 21S      | 37E   | 1365 FSL, 1420 FEL |
| WEST BLINEBRY DRINKARD UNIT #047 | 30-025-37741 | NMNM 90161   | K           | 8       | 21S      | 37E   | 1332 FSL, 2629 FWL |
| WEST BLINEBRY DRINKARD UNIT #048 | 30-025-37742 | NMNM 90161   | I           | 8       | 21S      | 37E   | 1475 FSL, 80 FEL   |
| WEST BLINEBRY DRINKARD UNIT #049 | 30-025-37743 | NMNM 90161   | J           | 9       | 21S      | 37E   | 1330 FSL, 2400 FEL |
| WEST BLINEBRY DRINKARD UNIT #050 | 30-025-37744 | NMNM 90161   | J           | 9       | 21S      | 37E   | 1440 FSL, 1332 FEL |
| WEST BLINEBRY DRINKARD UNIT #051 | 30-025-38197 | NMNM 90161   | O           | 9       | 21S      | 37E   | 185 FSL, 2460 FEL  |
| WEST BLINEBRY DRINKARD UNIT #052 | 30-025-38198 | NMNM 90161   | O           | 9       | 21S      | 37E   | 190 FSL, 1461 FEL  |
| WEST BLINEBRY DRINKARD UNIT #053 | 30-025-38199 | NMNM 90161   | I           | 9       | 21S      | 37E   | 2605 FSL, 1210 FEL |
| WEST BLINEBRY DRINKARD UNIT #054 | 30-025-38200 | NMNM 90161   | J           | 9       | 21S      | 37E   | 2620 FSL, 2510 FEL |
| WEST BLINEBRY DRINKARD UNIT #055 | 30-025-38521 | NMNM 90161   | I           | 8       | 21S      | 37E   | 2620 FSL, 20 FEL   |
| WEST BLINEBRY DRINKARD UNIT #056 | 30-025-06621 | BO-1732      | H           | 16      | 21S      | 37E   | 1980 FNL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #057 | 30-025-06623 | BO-1732      | A           | 16      | 21S      | 37E   | 660 FNL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #058 | 30-025-06625 | BO-1557      | E           | 16      | 21S      | 37E   | 1980 FNL, 660 FWL  |
| WEST BLINEBRY DRINKARD UNIT #059 | 30-025-06626 | BO-1557      | F           | 16      | 21S      | 37E   | 1980 FNL, 3300 FEL |
| WEST BLINEBRY DRINKARD UNIT #060 | 30-025-06628 | BO-1557      | C           | 16      | 21S      | 37E   | 720 FNL, 1980 FWL  |
| WEST BLINEBRY DRINKARD UNIT #061 | 30-025-06629 | BO-1557      | D           | 16      | 21S      | 37E   | 660 FNL, 660 FWL   |
| WEST BLINEBRY DRINKARD UNIT #062 | 30-025-36305 | BO-1557      | D           | 16      | 21S      | 37E   | 1240 FNL, 1270 FWL |
| WEST BLINEBRY DRINKARD UNIT #063 | 30-025-38267 | BO-1557      | D           | 16      | 21S      | 37E   | 110 FNL, 1195 FWL  |
| WEST BLINEBRY DRINKARD UNIT #064 | 30-025-38268 | BO-1557      | F           | 16      | 21S      | 37E   | 1330 FNL, 2440 FWL |
| WEST BLINEBRY DRINKARD UNIT #065 | 30-025-06642 | FEE          | B           | 17      | 21S      | 37E   | 330 FNL, 1650 FEL  |
| WEST BLINEBRY DRINKARD UNIT #068 | 30-025-38411 | NMLC 032096A | H           | 17      | 21S      | 37E   | 2630 FNL, 1310 FEL |
| WEST BLINEBRY DRINKARD UNIT #069 | 30-025-38204 | NMLC 032096A | I           | 17      | 21S      | 37E   | 2630 FSL, 120 FEL  |
| WEST BLINEBRY DRINKARD UNIT #070 | 30-025-38205 | NMLC 032096A | A           | 17      | 21S      | 37E   | 110 FNL, 180 FEL   |
| WEST BLINEBRY DRINKARD UNIT #071 | 30-025-38206 | NMLC 032096A | A           | 17      | 21S      | 37E   | 1240 FNL, 40 FEL   |

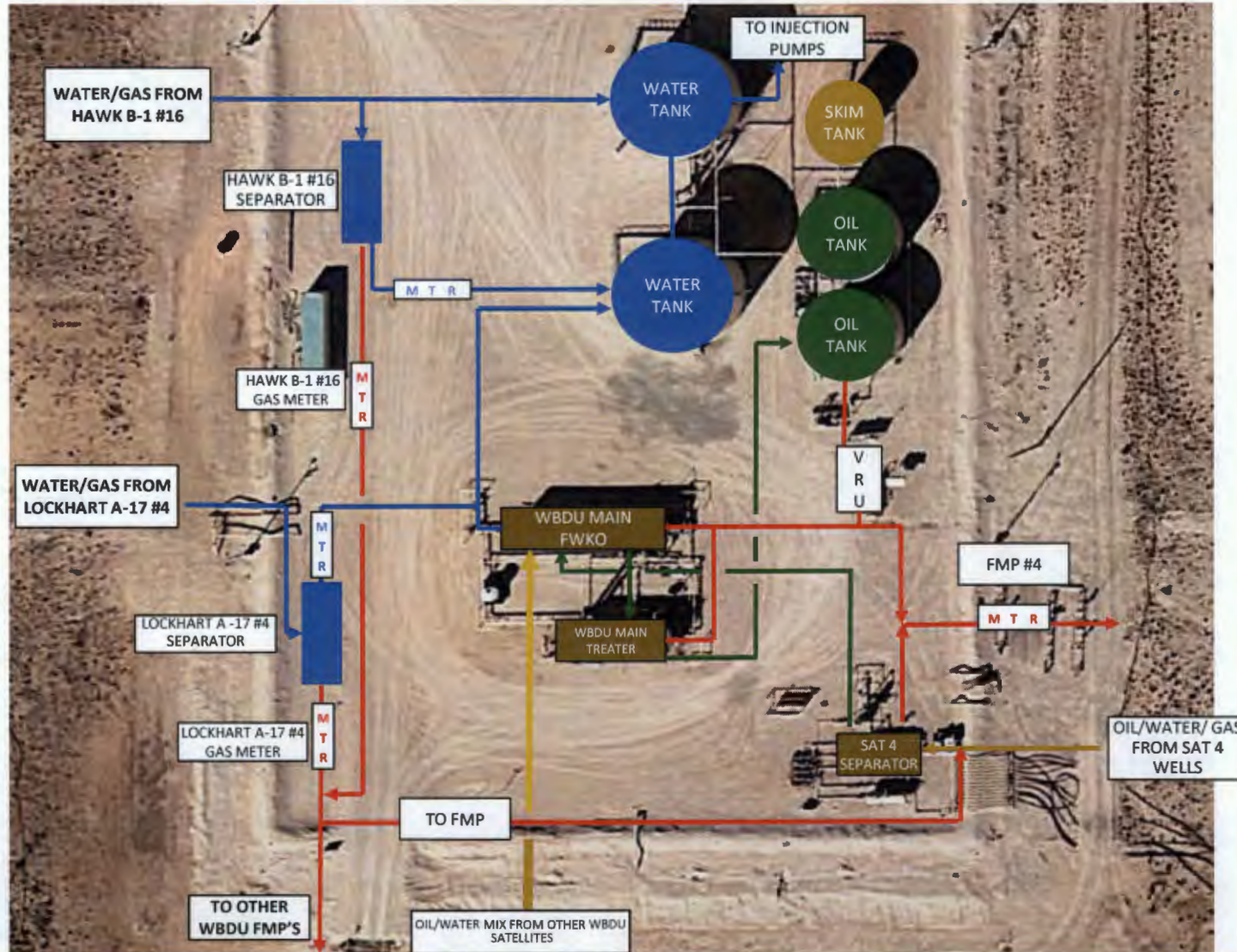
| Well                             | API          | Lease        | Unit Letter | Section | Township | Range | Footages           |
|----------------------------------|--------------|--------------|-------------|---------|----------|-------|--------------------|
| WEST BLINEBRY DRINKARD UNIT #072 | 30-025-06645 | FEE          | J           | 17      | 21S      | 37E   | 1980 FSL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #073 | 30-025-06646 | FEE          | G           | 17      | 21S      | 37E   | 1980 FNL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #074 | 30-025-06647 | FEE          | K           | 17      | 21S      | 37E   | 2058 FSL, 2053 FWL |
| WEST BLINEBRY DRINKARD UNIT #075 | 30-025-06615 | BO-0085      | L           | 16      | 21S      | 37E   | 1980 FSL, 660 FWL  |
| WEST BLINEBRY DRINKARD UNIT #076 | 30-025-06616 | BO-0085      | K           | 16      | 21S      | 37E   | 1980 FSL, 1980 FWL |
| WEST BLINEBRY DRINKARD UNIT #077 | 30-025-06618 | BO-0085      | J           | 16      | 21S      | 37E   | 1980 FSL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #078 | 30-025-06619 | BO-0085      | I           | 16      | 21S      | 37E   | 1980 FSL, 660 FEL  |
| WEST BLINEBRY DRINKARD UNIT #079 | 30-025-37201 | BO-0085      | J           | 16      | 21S      | 37E   | 1650 FSL, 1650 FEL |
| WEST BLINEBRY DRINKARD UNIT #080 | 30-025-38220 | BO-0085      | L           | 16      | 21S      | 37E   | 2530 FSL, 1240 FWL |
| WEST BLINEBRY DRINKARD UNIT #081 | 30-025-38230 | BO-0085      | K           | 16      | 21S      | 37E   | 2630 FSL, 2610 FWL |
| WEST BLINEBRY DRINKARD UNIT #082 | 30-025-38231 | BO-0085      | J           | 16      | 21S      | 37E   | 2630 FSL, 1360 FEL |
| WEST BLINEBRY DRINKARD UNIT #083 | 30-025-38414 | BO-0085      | L           | 16      | 21S      | 37E   | 1510 FSL, 1280 FWL |
| WEST BLINEBRY DRINKARD UNIT #084 | 30-025-38415 | BO-0085      | K           | 16      | 21S      | 37E   | 1330 FSL, 2630 FWL |
| WEST BLINEBRY DRINKARD UNIT #085 | 30-025-06652 | FEE          | P           | 17      | 21S      | 37E   | 660 FSL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #087 | 30-025-06643 | FEE          | N           | 17      | 21S      | 37E   | 660 FSL, 1980 FWL  |
| WEST BLINEBRY DRINKARD UNIT #088 | 30-025-06632 | BO-8105      | O           | 16      | 21S      | 37E   | 660 FSL, 1980 FEL  |
| WEST BLINEBRY DRINKARD UNIT #089 | 30-025-06633 | BO-8105      | P           | 16      | 21S      | 37E   | 660 FSL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #090 | 30-025-06634 | BO-8105      | P           | 16      | 21S      | 37E   | 330 FSL, 330 FEL   |
| WEST BLINEBRY DRINKARD UNIT #091 | 30-025-20311 | BO-8105      | O           | 16      | 21S      | 37E   | 330 FSL, 1650 FEL  |
| WEST BLINEBRY DRINKARD UNIT #092 | 30-025-37535 | BO-8105      | O           | 16      | 21S      | 37E   | 910 FSL, 1330 FEL  |
| WEST BLINEBRY DRINKARD UNIT #093 | 30-025-37536 | BO-8105      | O           | 16      | 21S      | 37E   | 330 FSL, 2610 FEL  |
| WEST BLINEBRY DRINKARD UNIT #094 | 30-025-37537 | BO-8105      | N           | 16      | 21S      | 37E   | 330 FSL, 1330 FWL  |
| WEST BLINEBRY DRINKARD UNIT #095 | 30-025-06716 | NMLC 032591A | A           | 21      | 21S      | 37E   | 660 FNL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #098 | 30-025-39119 | BO-1732-0001 | B           | 16      | 21S      | 37E   | 1260 FNL, 1330 FEL |
| WEST BLINEBRY DRINKARD UNIT #099 | 30-025-39287 | FEE          | J           | 4       | 21S      | 37E   | 2310 FSL, 1450 FEL |
| WEST BLINEBRY DRINKARD UNIT #100 | 30-025-39708 | FEE          | N           | 4       | 21S      | 37E   | 760 FSL, 2630 FWL  |
| WEST BLINEBRY DRINKARD UNIT #101 | 30-025-40270 | NMLC 031741A | D           | 9       | 21S      | 37E   | 440 FNL, 330 FWL   |
| WEST BLINEBRY DRINKARD UNIT #102 | 30-025-40271 | NMLC 031741A | B           | 8       | 21S      | 37E   | 400 FNL, 1400 FEL  |
| WEST BLINEBRY DRINKARD UNIT #103 | 30-025-39276 | FEE          | N           | 4       | 21S      | 37E   | 910 FSL, 1470 FWL  |
| WEST BLINEBRY DRINKARD UNIT #104 | 30-025-40272 | NMLC 031741A | G           | 8       | 21S      | 37E   | 1331 FNL, 1330 FEL |
| WEST BLINEBRY DRINKARD UNIT #105 | 30-025-40480 | NMLC 031741A | C           | 8       | 21S      | 37E   | 330 FNL, 2550 FWL  |
| WEST BLINEBRY DRINKARD UNIT #106 | 30-025-39407 | NMNM 90161   | J           | 8       | 21S      | 37E   | 2310 FSL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #107 | 30-025-40481 | NMLC 031741A | C           | 8       | 21S      | 37E   | 330 FNL, 1650 FWL  |
| WEST BLINEBRY DRINKARD UNIT #108 | 30-025-40273 | NMNM 90161   | K           | 8       | 21S      | 37E   | 1330 FSL, 1650 FWL |
| WEST BLINEBRY DRINKARD UNIT #109 | 30-025-39733 | FEE          | B           | 17      | 21S      | 37E   | 130 FNL, 2260 FEL  |
| WEST BLINEBRY DRINKARD UNIT #110 | 30-025-39494 | FEE          | P           | 4       | 21S      | 37E   | 140 FSL, 330 FEL   |



| Well                              | API          | Lease        | Unit Letter | Section | Township | Range | Footages           |
|-----------------------------------|--------------|--------------|-------------|---------|----------|-------|--------------------|
| WEST BLINEBRY DRINKARD UNIT #111  | 30-025-40363 | FEE          | H           | 9       | 21S      | 37E   | 1600 FNL, 330 FEL  |
| WEST BLINEBRY DRINKARD UNIT #112  | 30-025-39442 | NMNM 90161   | P           | 9       | 21S      | 37E   | 1295 FSL, 330 FEL  |
| WEST BLINEBRY DRINKARD UNIT #113  | 30-025-39277 | 80-1732-0001 | A           | 16      | 21S      | 37E   | 1290 FNL, 330 FEL  |
| WEST BLINEBRY DRINKARD UNIT #114  | 30-025-39963 | 80-8105-004  | P           | 16      | 21S      | 37E   | 1200 FSL, 330 FEL  |
| WEST BLINEBRY DRINKARD UNIT #115  | 30-025-39300 | 80-8105-004  | P           | 16      | 21S      | 37E   | 280 FSL, 740 FEL   |
| WEST BLINEBRY DRINKARD UNIT #117  | 30-025-39278 | FEE          | B           | 17      | 21S      | 37E   | 1115 FNL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #118  | 30-025-39709 | FEE          | J           | 17      | 21S      | 37E   | 2330 FSL, 2430 FEL |
| WEST BLINEBRY DRINKARD UNIT #119  | 30-025-39279 | FEE          | K           | 17      | 21S      | 37E   | 1365 FSL, 2630 FWL |
| WEST BLINEBRY DRINKARD UNIT #120  | 30-025-39710 | FEE          | O           | 17      | 21S      | 37E   | 400 FSL, 2630 FEL  |
| WEST BLINEBRY DRINKARD UNIT #121  | 30-025-39986 | FEE          | P           | 17      | 21S      | 37E   | 330 FSL, 1310 FEL  |
| WEST BLINEBRY DRINKARD UNIT #122  | 30-025-39171 | FEE          | K           | 17      | 21S      | 37E   | 1330 FSL, 1650 FWL |
| WEST BLINEBRY DRINKARD UNIT #123  | 30-025-39172 | FEE          | J           | 17      | 21S      | 37E   | 1450 FSL, 1350 FEL |
| WEST BLINEBRY DRINKARD UNIT #124  | 30-025-40274 | NMNM 90161   | P           | 8       | 21S      | 37E   | 170 FSL, 1180 FEL  |
| WEST BLINEBRY DRINKARD UNIT #125  | 30-025-39987 | FEE          | B           | 17      | 21S      | 37E   | 1190 FNL, 1330 FEL |
| WEST BLINEBRY DRINKARD UNIT #126  | 30-025-39958 | FEE          | P           | 17      | 21S      | 37E   | 1310 FSL, 120 FEL  |
| WEST BLINEBRY DRINKARD UNIT #127  | 30-025-39381 | NMLC 032591A | A           | 21      | 21S      | 37E   | 755 FNL, 990 FEL   |
| WEST BLINEBRY DRINKARD UNIT #128  | 30-025-39964 | FEE          | J           | 4       | 21S      | 37E   | 1435 FSL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #129  | 30-025-39280 | FEE          | P           | 17      | 21S      | 37E   | 330 FSL, 110 FEL   |
| WEST BLINEBRY DRINKARD UNIT #130  | 30-025-42495 | NMLC 032096A | A           | 17      | 21S      | 37E   | 780 FNL, 540 FEL   |
| WEST BLINEBRY DRINKARD UNIT #131  | 30-025-39965 | FEE          | 1S          | 4       | 21S      | 37E   | 3630 FSL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #133  | 30-025-40275 | NMLC 031741A | M           | 4       | 21S      | 37E   | 910 FSL, 330 FWL   |
| WEST BLINEBRY DRINKARD UNIT #135  | 30-025-40276 | NMNM 90161   | N           | 8       | 21S      | 37E   | 400 FSL, 1650 FWL  |
| WEST BLINEBRY DRINKARD UNIT #136  | 30-025-39988 | FEE          | K           | 17      | 21S      | 37E   | 2310 FSL, 1650 FWL |
| WEST BLINEBRY DRINKARD UNIT #137  | 30-025-39574 | FEE          | O           | 4       | 21S      | 37E   | 680 FSL, 2130 FEL  |
| WEST BLINEBRY DRINKARD UNIT #138  | 30-025-06396 | FEE          | P           | 4       | 21S      | 37E   | 660 FSL, 660 FEL   |
| WEST BLINEBRY DRINKARD UNIT #139  | 30-025-39989 | FEE          | N           | 17      | 21S      | 37E   | 550 FSL, 1650 FWL  |
| WEST BLINEBRY DRINKARD UNIT #140  | 30-025-40695 | NMLC 031741A | G           | 8       | 21S      | 37E   | 1330 FNL, 2310 FEL |
| WEST BLINEBRY DRINKARD UNIT #142  | 30-025-41262 | NMNM 90161   | P           | 9       | 21S      | 37E   | 205 FSL, 535 FEL   |
| WEST BLINEBRY DRINKARD UNIT #144H | 30-025-40429 | FEE          | B           | 17      | 21S      | 37E   | 800 FNL, 2100 FEL  |
| WEST BLINEBRY DRINKARD UNIT #145  | 30-025-43229 | NMLC 032096A | H           | 17      | 21S      | 37E   | 1780 FNL, 940 FEL  |
| WEST BLINEBRY DRINKARD UNIT #152  | 30-025-41543 | 80-8105-004  | M           | 16      | 21S      | 37E   | 820 FSL, 820 FWL   |
| WEST BLINEBRY DRINKARD UNIT #154  | 30-025-41549 | 80-8105-004  | N           | 16      | 21S      | 37E   | 895 FSL, 1810 FWL  |
| WEST BLINEBRY DRINKARD UNIT #164  | 30-025-42537 | 80-1732-0001 | H           | 16      | 21S      | 37E   | 2610 FNL, 300 FEL  |
| WEST BLINEBRY DRINKARD UNIT #166  | 30-025-43125 | 80-1557-0002 | F           | 16      | 21S      | 37E   | 1345 FNL, 1815 FWL |
| WEST BLINEBRY DRINKARD UNIT #167  | 30-025-43126 | 80-1732-0001 | B           | 16      | 21S      | 37E   | 1310 FNL, 1920 FEL |
| WEST BLINEBRY DRINKARD UNIT #168  | 30-025-41548 | FEE          | G           | 16      | 21S      | 37E   | 1860 FNL, 2230 FEL |

| Well                             | API          | Lease        | Unit Letter | Section | Township | Range | Footages           |
|----------------------------------|--------------|--------------|-------------|---------|----------|-------|--------------------|
| WEST BLINEBRY DRINKARD UNIT #175 | 30-025-43127 | 80-1557-0002 | C           | 16      | 21S      | 37E   | 125 FNL, 2205 FWL  |
| WEST BLINEBRY DRINKARD UNIT #176 | 30-025-43222 | NMNM 90161   | O           | 9       | 21S      | 37E   | 260 FSL, 1875 FEL  |
| WEST BLINEBRY DRINKARD UNIT #178 | 30-025-41547 | FEE          | B           | 16      | 21S      | 37E   | 520 FNL, 2095 FEL  |
| WEST BLINEBRY DRINKARD UNIT #179 | 30-025-43528 | 80-8105-0004 | O           | 16      | 21S      | 37E   | 770 FSL, 1740 FEL  |
| WEST BLINEBRY DRINKARD UNIT #180 | 30-025-43529 | FEE          | O           | 17      | 21S      | 37E   | 784 FSL, 2061 FEL  |
| WEST BLINEBRY DRINKARD UNIT #182 | 30-025-43530 | FEE          | G           | 17      | 21S      | 37E   | 1834 FNL, 1980 FEL |
| WEST BLINEBRY DRINKARD UNIT #183 | 30-025-43780 | NMNM 90161   | N           | 8       | 21S      | 37E   | 730 FSL, 2215 FWL  |
| WEST BLINEBRY DRINKARD UNIT #184 | 30-025-43804 | NMNM 90161   | K           | 8       | 21S      | 37E   | 1820 FSL, 2300 FWL |
| WEST BLINEBRY DRINKARD UNIT #185 | 30-025-42493 | NMNM 90161   | O           | 8       | 21S      | 37E   | 695 FSL, 1760 FEL  |
| WEST BLINEBRY DRINKARD UNIT #188 | 30-025-42569 | NMNM 90161   | N           | 9       | 21S      | 37E   | 640 FSL, 2170 FWL  |
| WEST BLINEBRY DRINKARD UNIT #192 | 30-025-42494 | NMNM 90161   | J           | 8       | 21S      | 37E   | 1865 FSL, 1985 FEL |
| WEST BLINEBRY DRINKARD UNIT #195 | 30-025-43043 | NMNM 90161   | F           | 9       | 21S      | 37E   | 2585 FNL, 1965 FWL |
| WEST BLINEBRY DRINKARD UNIT #196 | 30-025-42649 | FEE          | G           | 9       | 21S      | 37E   | 1770 FNL, 2595 FEL |
| WEST BLINEBRY DRINKARD UNIT #201 | 30-025-41871 | FEE          | G           | 9       | 21S      | 37E   | 2380 FNL, 2540 FEL |
| WEST BLINEBRY DRINKARD UNIT #202 | 30-025-41872 | FEE          | G           | 9       | 21S      | 37E   | 2040 FNL, 1410 FEL |
| WEST BLINEBRY DRINKARD UNIT #205 | 30-025-43044 | NMNM 90161   | C           | 9       | 21S      | 37E   | 1310 FNL, 1970 FWL |
| WEST BLINEBRY DRINKARD UNIT #206 | 30-025-41873 | FEE          | H           | 9       | 21S      | 37E   | 1570 FNL, 565 FEL  |
| WEST BLINEBRY DRINKARD UNIT #210 | 30-025-41874 | FEE          | B           | 9       | 21S      | 37E   | 650 FNL, 2570 FEL  |
| WEST BLINEBRY DRINKARD UNIT #211 | 30-025-41875 | FEE          | A           | 9       | 21S      | 37E   | 510 FNL, 1310 FEL  |
| WEST BLINEBRY DRINKARD UNIT #214 | 30-025-41876 | FEE          | O           | 4       | 21S      | 37E   | 100 FSL, 2040 FEL  |
| WEST BLINEBRY DRINKARD UNIT #220 | 30-025-43172 | NMNM 90161   | I           | 9       | 21S      | 37E   | 1370 FSL, 850 FEL  |
| WEST BLINEBRY DRINKARD UNIT #221 | 30-025-42496 | NMLC 032096A | I           | 17      | 21S      | 37E   | 2300 FSL, 500 FEL  |
| WEST BLINEBRY DRINKARD UNIT #238 | 30-025-42881 | NMLC 032591A | I           | 21      | 21S      | 37E   | 2315 FSL, 580 FEL  |
| WEST BLINEBRY DRINKARD UNIT #239 | 30-025-43045 | NMNM 90161   | I           | 9       | 21S      | 37E   | 2335 FSL, 215 FEL  |
| WEST BLINEBRY DRINKARD UNIT #241 | 30-025-41880 | FEE          | P           | 4       | 21S      | 37E   | 735 FSL, 1300 FEL  |
| WEST BLINEBRY DRINKARD UNIT #242 | 30-025-43046 | NMNM 90161   | C           | 9       | 21S      | 37E   | 1270 FNL, 2500 FWL |
| WEST BLINEBRY DRINKARD UNIT #243 | 30-025-42882 | NMLC 032591A | I           | 21      | 21S      | 37E   | 2315 FSL, 505 FEL  |
| WEST BLINEBRY DRINKARD UNIT #244 | 30-025-43223 | NMNM 90161   | K           | 9       | 21S      | 37E   | 1765 FSL, 1555 FWL |

# WBDU CENTRAL BATTERY PLOT PLAN





**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 03:54 PM

Page 1 of 3

Run Date: 04/11/2017

01 02-25-1920;041STAT0437;30USC226

Total Acres  
640.000

Serial Number  
NMNM-- - 090161

Case Type 310771: O&G EXCHANGE LEASE - PD

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

| Name & Address      |                            | Serial Number: NMNM-- - 090161 |  | Int Rel          | % Interest   |
|---------------------|----------------------------|--------------------------------|--|------------------|--------------|
| APACHE CORP         | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564400           |  | OPERATING RIGHTS | 0.000000000  |
| APACHE CORP         | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564400           |  | LESSEE           | 50.000000000 |
| CHEVRON USA INC     | 6301 DEAUVILLE             | MIDLAND TX 797062964           |  | LESSEE           | 25.000000000 |
| CHEVRON USA PROD CO | PO BOX 1635                | HOUSTON TX 772511635           |  | OPERATING RIGHTS | 0.000000000  |
| CONOCOPHILLIPS CO   | PO BOX 7500                | BARTLESVILLE OK 740057500      |  | OPERATING RIGHTS | 0.000000000  |
| CONOCOPHILLIPS CO   | 550 WESTLAKE PARK BLVD     | HOUSTON TX 77079               |  | OPERATING RIGHTS | 0.000000000  |
| JOHN H HENDRIX CORP | PO BOX 3040                | MIDLAND TX 797023040           |  | OPERATING RIGHTS | 0.000000000  |
| OXY USA WTP LP      | 6 DESTA DR #6000           | MIDLAND TX 797055505           |  | OPERATING RIGHTS | 0.000000000  |
| PENROC OIL CORP     | PO BOX 2769                | HOBBS NM 88241                 |  | OPERATING RIGHTS | 0.000000000  |
| ZPZ DELAWARE I LLC  | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564497           |  | LESSEE           | 25.000000000 |
| ZPZ DELAWARE I LLC  | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564497           |  | OPERATING RIGHTS | 0.000000000  |

| Serial Number: NMNM-- - 090161 |       |       |      |          |             |                       |        |                     |
|--------------------------------|-------|-------|------|----------|-------------|-----------------------|--------|---------------------|
| Mer Twp                        | Rng   | Sec   | STyp | SNr Suff | Subdivision | District/Field Office | County | Mgmt Agency         |
| 23                             | 0210S | 0370E | 008  | ALIQ     | E2SW,SE;    | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                             | 0210S | 0370E | 009  | ALIQ     | E2NW,S2;    | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |

| Serial Number: NMNM-- - 090161 |       |       |      |          |                 |                       |        |                     |
|--------------------------------|-------|-------|------|----------|-----------------|-----------------------|--------|---------------------|
| Relinquished/Withdrawn Lands   |       |       |      |          |                 |                       |        |                     |
| Mer Twp                        | Rng   | Sec   | STyp | SNr Suff | Subdivision     | District/Field Office | County | Mgmt Agency         |
| 23                             | 0210S | 0370E | 706  | FF       | E2SE,SWSE SEGR; | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                             | 0210S | 0370E | 704  | FF       | LOTS 3,6 SEGR;  | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                             | 0200S | 0370E | 713  | FF       | SWNE,NWSW SEGR; | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                             | 0200S | 0380E | 730  | FF       | LOT 1 SEGR;     | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |

| Serial Number: NMNM-- - 090161 |      |                          |                      |                |  |
|--------------------------------|------|--------------------------|----------------------|----------------|--|
| Act Date                       | Code | Action                   | Action Remark        | Pending Office |  |
| 01/12/1938                     | 387  | CASE ESTABLISHED         |                      |                |  |
| 01/13/1938                     | 496  | FUND CODE                | 05;145003            |                |  |
| 01/13/1938                     | 868  | EFFECTIVE DATE           |                      |                |  |
| 03/01/1958                     | 534  | RLTY RATE-SLIDING-SCH D  |                      |                |  |
| 03/01/1958                     | 868  | EFFECTIVE DATE           |                      |                |  |
| 10/19/1963                     | 909  | BOND ACCEPTED            | EFF 09/27/63;ES0085  |                |  |
| 06/01/1967                     | 650  | HELD BY PROD - ACTUAL    | /1/                  |                |  |
| 06/01/1967                     | 658  | MEMO OF 1ST PROD-ACTUAL  | /1/                  |                |  |
| 11/10/1987                     | 209  | CASE CREATED BY SEGR     | OUT OF NMNM2512;     |                |  |
| 11/10/1987                     | 246  | LEASE COMMITTED TO CA    | CA14-08-001-3451 MO  |                |  |
| 02/14/1991                     | 932  | TRF OPER RGTS FILED      | CONOCO INC/J HENDRIX |                |  |
| 04/16/1991                     | 933  | TRF OPER RGTS APPROVED   | EFF 03/01/91;        |                |  |
| 04/16/1991                     | 974  | AUTOMATED RECORD VERIF   |                      | RAO/CG         |  |
| 10/01/1992                     | 621  | RLTY RED-STRIPPER WELL   | 2.1%;/1/892000321A   |                |  |
| 12/11/1992                     | 974  | AUTOMATED RECORD VERIF   |                      | DGT/DT         |  |
| 12/17/1992                     | 909  | BOND ACCEPTED            | EFF 10/13/92;NM2112  |                |  |
| 03/25/1993                     | 600  | RECORDS NOTED            |                      |                |  |
| 04/09/1993                     | 963  | CASE MICROFILMED/SCANNED | CNUM 569,728         | JS             |  |
| 07/13/1993                     | 625  | RLTY REDUCTION APPV      | /1/                  |                |  |
| 11/03/1993                     | 974  | AUTOMATED RECORD VERIF   |                      | ANN            |  |
| 10/19/1995                     | 932  | TRF OPER RGTS FILED      | PENNZOIL E&P/CHEVRON |                |  |

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|            |     |                          |                       |
|------------|-----|--------------------------|-----------------------|
| 01/10/1996 | 933 | TRF OPER RGTS APPROVED   | EFF 11/01/95;         |
| 01/10/1996 | 974 | AUTOMATED RECORD VERIF   | JLV                   |
| 10/08/1998 | 817 | MERGER RECOGNIZED        | MW PETRO ETAL/APACHE  |
| 04/20/1999 | 140 | ASGN FILED               | APACHE CORP/CONOCO IN |
| 04/20/1999 | 932 | TRF OPER RGTS FILED      | CONOCO/APACHE CORP    |
| 04/21/1999 | 140 | ASGN FILED               | CONOCO/APACHE CORP    |
| 06/21/1999 | 567 | ASGN RETURNED UNAPPROVED | CONOCO/APACHE CORP    |
| 06/21/1999 | 933 | TRF OPER RGTS APPROVED   | EFF 05/01/99;         |
| 06/21/1999 | 974 | AUTOMATED RECORD VERIF   | LR                    |
| 07/19/1999 | 140 | ASGN FILED               | CONOCO/APACHE CORP    |
| 07/22/1999 | 139 | ASGN APPROVED            | EFF 08/01/99;         |
| 07/22/1999 | 974 | AUTOMATED RECORD VERIF   | LR                    |
| 03/12/2001 | 932 | TRF OPER RGTS FILED      | OXY/OXY USA WTP       |
| 04/25/2001 | 933 | TRF OPER RGTS APPROVED   | EFF 04/01/01;         |
| 04/25/2001 | 974 | AUTOMATED RECORD VERIF   | JLV                   |
| 12/11/2001 | 140 | ASGN FILED               | ATLANTIC RICHFIELD;1  |
| 04/02/2002 | 139 | ASGN APPROVED            | EFF 01/01/02;         |
| 04/02/2002 | 974 | AUTOMATED RECORD VERIF   | MV                    |
| 06/21/2002 | 940 | NAME CHANGE RECOGNIZED   | AMOCO/BP AMERICA PROD |
| 01/16/2003 | 817 | MERGER RECOGNIZED        | CONOCO/CONOCOPHILLIPS |
| 04/02/2004 | 974 | AUTOMATED RECORD VERIF   | BCO                   |
| 01/12/2005 | 932 | TRF OPER RGTS FILED      | CHEVRON USA/CONOCOPHI |
| 03/01/2005 | 933 | TRF OPER RGTS APPROVED   | EFF 02/01/05;         |
| 03/01/2005 | 974 | AUTOMATED RECORD VERIF   | LR                    |
| 06/06/2006 | 246 | LEASE COMMITTED TO CA    | CA NM116281,NM116284; |
| 06/06/2006 | 246 | LEASE COMMITTED TO CA    | CA NM116285,NM116286; |
| 06/06/2006 | 246 | LEASE COMMITTED TO CA    | CA NM116287;          |
| 06/29/2006 | 246 | LEASE COMMITTED TO CA    | /3/NMNM116412;        |
| 01/09/2007 | 643 | PRODUCTION DETERMINATION | /2/                   |
| 01/09/2007 | 658 | MEMO OF 1ST PROD-ACTUAL  | /2/NMNM116284;        |
| 04/04/2007 | 643 | PRODUCTION DETERMINATION | /3/                   |
| 04/04/2007 | 658 | MEMO OF 1ST PROD-ACTUAL  | /3/NMNM116412;        |
| 05/08/2007 | 643 | PRODUCTION DETERMINATION | /4/                   |
| 05/08/2007 | 658 | MEMO OF 1ST PROD-ACTUAL  | /4/NMNM116285;        |
| 06/06/2007 | 643 | PRODUCTION DETERMINATION | /5/                   |
| 06/06/2007 | 658 | MEMO OF 1ST PROD-ACTUAL  | /5/NMNM116286;        |
| 12/10/2007 | 643 | PRODUCTION DETERMINATION | /6/                   |
| 12/10/2007 | 658 | MEMO OF 1ST PROD-ACTUAL  | /6/NMNM118318;        |
| 09/01/2008 | 232 | LEASE COMMITTED TO UNIT  | NM-120042X;WBUD       |
| 09/01/2008 | 700 | LEASE SEGREGATED         | INTO NMNM 125793;     |
| 02/04/2010 | 932 | TRF OPER RGTS FILED      | CHEVRON U/PENROC OI;1 |
| 05/13/2010 | 933 | TRF OPER RGTS APPROVED   | EFF 03/01/10;         |
| 05/13/2010 | 974 | AUTOMATED RECORD VERIF   | MV                    |
| 03/30/2011 | 140 | ASGN FILED               | BP AMERIC/ZPZ DELAW;1 |
| 05/10/2011 | 932 | TRF OPER RGTS FILED      | BP AMERIC/ZPZ DELAW;2 |
| 05/12/2011 | 139 | ASGN APPROVED            | EFF: 04/01/2011;      |
| 05/12/2011 | 974 | AUTOMATED RECORD VERIF   | MJD                   |
| 07/14/2011 | 932 | TRF OPER RGTS FILED      | BP AMERIC/ZPZ DELAW;1 |
| 09/02/2011 | 933 | TRF OPER RGTS APPROVED   | EFF 06/01/11;         |
| 09/02/2011 | 974 | AUTOMATED RECORD VERIF   | BTM                   |
| 10/12/2011 | 933 | TRF OPER RGTS APPROVED   | EFF 08/01/11;         |
| 10/12/2011 | 974 | AUTOMATED RECORD VERIF   | MJD                   |
| 02/01/2012 | 246 | LEASE COMMITTED TO CA    | CA NM128074           |

Line Nr      Remarks

Serial Number: NMNM-- - 090161

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0003 /A/AC534 RLTY RATE - SLIDING - SCH D EFF 1/13/1993  
0004 04/02/2002 LESSEE BONDED WY2924/NW  
0006 /B/COOP WELL AGRMT NOS. NMNM 111011 THRU NMNM 11107,  
0007 EFF 01/16/2004, ARE FOR THE PURPOSE OF ALLOCATING  
0008 PRODUCTION AND ROYALTIES FROM THE HAWK B-1 #33,  
0009 HAWK B-1 #35, HAWK B-1 #37, LOCKHART A-17 #9,  
0010 HAWK B-1 #41 AND STATE C TRACT 12 #16 WELLS. THE  
0011 TRACT PARTICIPATION IS BASED UPON GEOLOGIC AND  
0012 RESERVOIR PARAMETERS.  
0013 BONDED OPERATORS  
0014 03/01/2005 - APACHE CORP - CO1463 - N/W;  
0015 JOHN H HENDRIX CORP - NM2112 - S/W;  
0016 /C/COOP WELL AGREEMENT NM-116545 IS FOR THE PURPOSE  
0017 OF ALLOCATING PRODUCTION AND ROYALTIES FROM THE  
0018 SOUTHLAND ROYALTY A #31 WELL LOCATED ON FEE  
0019 LAND. THE TRACT PARTICIPATION IS BASED UPON  
0020 GEOLOGIC AND RESERVOIR PARAMETERS.  
0021 /D/COOP WELL AGRMT NM-116409 THRU NM-114414,  
0022 EFF 06/29/2006, ARE FOR THE PURPOSE OF ALLOCATING  
0023 PRODUCTION AND ROYALTIES FROM THE HAWK A #31, HAWK A  
0024 #30, HAWK A #33, HAWK B-1 #63, HAWK B-1 #64 AND HAWK  
0025 B-1 #65 WELLS. THE TRACT PARTICIPATION IS BASED  
0026 UPON GEOLOGIC AND RESERVOIR PARAMETERS.  
0027 /E/COOP WELL AGRMT NM-118318 IS FOR THE PURPOSE  
0028 OF ALLOCATING PRODUCTION AND ROYALTIES FROM THE  
0029 HAWK B-1 #58 WELL. THE TRACT PARTICIPATION IS BASED  
0030 UPON GEOLOGIC AND RESERVOIR PARMATERS. THE AGRMT  
0031 IS EFFECTIVE 5/10/2007.  
0032 /F/COOP WELL AGRMT NM-118494 IS FOR THE PURPOSE  
0033 OF ALLOCATING PRODUCTION AND ROYALTIES FROM THE  
0034 HAWK B-1 #61 WELL. THE TRACT PARTICIPATION IS BASED  
0035 UPON GEOLOGIC AND RESERVOIR PARAMTERS. THE AGRMT  
0036 IS EFFECTIVE 6/18/2007.  
0037 05/13/2010 - PENROC BONDED TRANSFEREE NMB000241/SW  
0038 05/12/2011 - OPERATOR BONDED - NMB000736 S/W  
0039 09/02/2011 - APACHE CORP - NW - CO1463

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01 02-25-1920;041STAT0437;30USC181  
Case Type 318220: O&G SECONDARY UNIT  
Commodity 459: OIL & GAS  
Case Disposition: AUTHORIZED

Total Acres 2,480.000  
Serial Number NMNM-- - 120042X

| Name & Address  |                            | Serial Number: NMNM-- - 120042X |                  | Int Rel | % Interest    |
|-----------------|----------------------------|---------------------------------|------------------|---------|---------------|
| APACHE CORP     | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564400            | OPERATOR         |         | 100.000000000 |
| BLM CARLSBAD FO | 620 E GREENE ST            | CARLSBAD NM 88220               | OFFICE OF RECORD |         | 0.000000000   |

| Serial Number: NMNM-- - 120042X |       |       |       |          |               |                       |        |                     |
|---------------------------------|-------|-------|-------|----------|---------------|-----------------------|--------|---------------------|
| Mer Twp                         | Rng   | Sec   | SType | SNr SUFF | Subdivision   | District/Field Office | County | Mgmt Agency         |
| 23                              | 02105 | 0370E | 004   | ALIQ     | SE,52SW;      | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 004   | LOTS     | 15;           | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 008   | ALIQ     | E2,NENW,E2SW; | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 009   | ALIQ     | ALL;          | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 016   | ALIQ     | ALL;          | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 017   | ALIQ     | E2,E2SW;      | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23                              | 02105 | 0370E | 021   | ALIQ     | E2NE;         | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |

| Serial Number: NMNM-- - 120042X |      |                        |                       |                |  |
|---------------------------------|------|------------------------|-----------------------|----------------|--|
| Act Date                        | Code | Action                 | Action Remark         | Pending Office |  |
| 01/24/2008                      | 387  | CASE ESTABLISHED       | DESIGNATION REC'D;    |                |  |
| 01/24/2008                      | 500  | GEOGRAPHIC NAME        | W BLINEBRY DRINKARD;  |                |  |
| 02/27/2008                      | 519  | AGRMT/EXPANSION DESIG  | AGREEMENT;            |                |  |
| 02/27/2008                      | 974  | AUTOMATED RECORD VERIF | ACS;                  |                |  |
| 09/01/2008                      | 334  | AGRMT APPROVED         |                       |                |  |
| 09/01/2008                      | 516  | FORMATION              | BLINEBRY/TUBB/DRINKAR |                |  |
| 09/01/2008                      | 525  | ACRES-NONFEDERAL       | 640.00; 25.81% STATE  |                |  |
| 09/01/2008                      | 525  | ACRES-NONFEDERAL       | 680.00; 27.42% FEE    |                |  |
| 09/01/2008                      | 526  | ACRES-FED INT 100%     | 1160.00; 46.77%       |                |  |
| 09/01/2008                      | 868  | EFFECTIVE DATE         | 09/01/2008            |                |  |

| Serial Number: NMNM-- - 120042X |                                  |        |          |          |  |  |
|---------------------------------|----------------------------------|--------|----------|----------|--|--|
| Line Nr                         | Remarks                          |        |          |          |  |  |
| 0001                            | EXHIBIT B-3 EFFECTIVE 09/01/2008 |        |          |          |  |  |
| 0002                            | LEASE SERIAL NO TR#              | PH 1 % | PH 2 %   | PH 3 %   |  |  |
| 0003                            | NMLC 0 31741A                    | 1      | 6.30032  | 6.29076  |  |  |
| 0004                            | NMNM 90161                       | 2      | 30.38117 | 27.27194 |  |  |
| 0005                            | NMLC 0 32096A                    | 3      | 3.19013  | 3.27494  |  |  |
| 0006                            | NMLC 0 32591A                    | 4      | 0.41893  | 5.65016  |  |  |
| 0007                            | STATE                            | 5      | 11.01977 | 7.47837  |  |  |
| 0008                            | STATE                            | 6      | 6.07217  | 6.83058  |  |  |
| 0009                            | STATE                            | 7      | 10.34503 | 6.29076  |  |  |
| 0010                            | STATE                            | 8      | 8.16665  | 10.97643 |  |  |
| 0011                            | FEE                              | 9      | 4.01219  | 1.03646  |  |  |
| 0012                            | FEE                              | 10     | 16.2133  | 16.20914 |  |  |
| 0013                            | FEE                              | 11     | 3.04426  | 3.74278  |  |  |
| 0014                            | FEE                              | 12     | 0.05754  | 2.11611  |  |  |
| 0015                            | FEE                              | 13A    | 0.00000  | 1.18689  |  |  |



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|      |   |     |         |         |
|------|---|-----|---------|---------|
| 0016 | FEE   | 13B | 0.06252 | 0.38507 |
| 0017 | FEE   | 14A | 0.00000 | 0.74856 |
| 0018 | FEE   | 14B | 0.19815 | 0.51103 |
| 0019 | TR1, 21S, 37E, S4: SWSW, S8: NE, NWNE, S9: W2NW |     |         |         |
| 0020 | TR2, 21S, 37E, S8: E2SW, SE, S9: E2NW, S2       |     |         |         |
| 0021 | TR3, 21S, 37E, S17: E2NE, NESE                  |     |         |         |
| 0022 | TR4, 21S, 37E, S21: E2NE                        |     |         |         |
| 0023 | TR5, 21S, 37E, S16: NW                          |     |         |         |
| 0024 | TR6, 21S, 37E, S16: NE                          |     |         |         |
| 0025 | TR7, 21S, 37E, S16: N2S2                        |     |         |         |
| 0026 | TR8, 21S, 37E, S16: S2S2                        |     |         |         |
| 0027 | TR9, 21S, 37E, S4: L15, NESE                    |     |         |         |
| 0028 | TR10, 21S, 37E, S17: SWNE, NESW, NWSE           |     |         |         |
| 0029 | T11, 21S, 37E, S17: NWNE                        |     |         |         |
| 0030 | TR12, 21S, 37E, S17: S2SE                       |     |         |         |
| 0031 | TR13A, 21S, 37E, S17:                           |     |         |         |
| 0032 | TR13B, 21S, 37E, S17: SESW                      |     |         |         |
| 0033 | TR14A, 21S, 37E, S17:                           |     |         |         |
| 0034 | TR14B, 21S, 37E, S17:                           |     |         |         |



Apache Corp.

SEP 11 2017

Permian Land Dept.

August 14, 2017

Chevron U.S.A. Inc.  
Attn: Ms. Dayla Newman  
6301 Deauville Blvd.  
Midland, Texas 79706

**RE:** Letter Agreement - WBDU #43 Water Source Well  
West Blinebry Drinkard Unit ("WBDU")  
Section 8-T21S-R37E, NMPM  
Lea County, New Mexico

Dear Ms. Newman,

Apache Corporation ("Apache") proposes to equip the WBDU #43 water source well (the "Well") with a two-phase separator to separate dissolved natural gas (approximately 75 MCFD) from the source water produced by the Well from the San Andres formation (approximately 11,000 BWPD). Although the Well will remain a water source well for the West Blinebry Drinkard Unit ("WBDU"), in order to maintain regulatory and legal compliance, and to correctly report the Well's gas production from the San Andres formation, the Well will have to be removed from the WBDU, re-designated as the Hawk B-1 #16 (the "Hawk Well"), and its regulatory status changed from a water source well to a gas well producing from the Eunice; San Andres, North (Gas) pool.

The separated gas will be metered through a sales line, which will be located at the WBDU central battery in Section 16, T21S, R37E, NMPM, then blended with the WBDU field gas and sold through multiple sales points within WBDU. Gas sales revenue from the Hawk Well will be credited to the Hawk B-1 #16 interest owners. The de-gassed water from the Hawk Well will flow to the WBDU injection Facility and continue to be used as critically needed source water for the WBDU water-flood.

The proposal as outlined herein is necessary from a safety, environmental, and operational perspective; otherwise, the slightly sour gas produced by the Well would be vented to atmosphere from the WBDU produced water tanks when the Well is in operation.

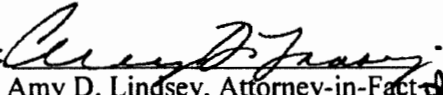
Because the source water volumes supplied by the Well are critically needed to support the WBDU water-flood; the WBDU working interest owners will continue to assume the operating costs for the well, given that they derive the primary benefit from the Well.

As the other working interest owner in the Well with a 25% WIO and a 21.875% NRI, Apache requests your approval to remove the WBDU #43 from the WBDU and re-designate the Well as the Hawk Well as proposed above.


Should you have any question or require additional information, please do not hesitate to contact Dean Jarrett, Surface Landman Sr. at (432) 818-1938 or at [dean.jarrett@apachecorp.com](mailto:dean.jarrett@apachecorp.com).

This agreement is executed and agreed to as of this 7 day of September, 2017.

**Apache Corporation**

By:   
Amy D. Lindsey, Attorney-in-Fact

**Chevron U.S.A. Inc.**

By:   
Title: Chevron U.S.A. Inc.  
George Pritchard  
NOJV Engineer

September 25, 2017

Bureau of Land Management  
Carlsbad Field Office  
c/o Ed Fernandez  
620 E. Greene St.  
Carlsbad, New Mexico 88220  
Re: Letter to Clarify Gas Sales Value

Mr. Fernandez,

Apache Corporation would like to confirm that the commingling of Hawk B-1 gas with WBDU (West Blinbry Drinkard Unit) Satellite 4 will not result in a decrease in sales value. The sale of gas strictly from the Hawk B-1 is not permitted because the composition does not meet pipeline specifications (see attached). Therefore, in order to operate the Hawk B-1 to supply water to the WBDU and support the water flood the gas must be blended and sold with WBDU Satellite 4 produced gas.

If you have any questions regarding the aforementioned, please do not hesitate contacting the undersigned at (432) 818-1912.

Sincerely,  
APACHE CORPORATION

A handwritten signature in black ink, appearing to read 'B. Yarbrough', is written over the typed name.

Brad Yarbrough  
Marketing Representative  
brad.yarbrough@apachecorp.com

October 4, 2017

Bureau of Land Management  
Carlsbad Field Office  
c/o Ed Fernandez  
620 E. Greene St  
Carlsbad, New Mexico 88220

Re: Letter to Amend Unit Plan of Development

Mr. Fernandez,

Apache Corporation requests to remove WBDU #43 (30-025-26601) from the WBDU plan of development (BLM Contract NMNM - 120042X) and return to the USA NMNM 90161 as the Hawk - B1 #16, as a gas well supplying water to the unit. This well is needed for secondary recovery operation on the WBDU federal unit.

If you have any questions regarding the aforementioned, please do not hesitate contacting the undersigned at (432) 818-1938.

Sincerely,  
APACHE CORPORATION



Dean Jarrett  
Landman  
Dean.Jarrett@ApacheCorp.com