

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-13-B

September 25, 2012

Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, Texas 79705-4561

Attention: Reesa Holland:

The Division Order No. PLC-13 issued on May 3, 1966, was amended on July 25, 1979 approving surface commingling for certain wells. Apache Corporation ("Apache") is hereby authorized to further amend this commingling order to surface commingle oil and gas production from the following Pools located in Sections 11 and 12, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

House; San Andres Oil and Gas (Oil) Pool (**33440**)
House; Drinkard Oil and Gas (Oil) Pool (**33250**)
House; Blinebry Oil and Gas (Oil) Pool (**33230**)
House; Tubb Oil and Gas (Oil) Pool (**78760**)
House; Blinebry, South Oil and Gas (Oil) Pool (**33225**)

and from the following diversely owned wells located on Fee leases in Lea County, New Mexico:

Well Name & Number	API No.	Well Location	S-T-R
Howse A Well No. 1	30 025 07763	1980 FSL & 660' FEL I	11-20S-38E
Howse B Well No. 1	30 025 07764	660 FSL & 660 FEL P	11-20S-38E
Cone A Well No.1	30 025 07770	1980 FNL & 1980 FWL F	12-20S-38E
Cone A Well No. 2	30 025 39491	2310 FNL & 1650 FWL F	12-20S-38E
Cone B Well No. 2	30 025 39907	1650 FSL & 2310 FEL J	12-20S-38E

The commingled production shall be measured and sold at the Central Tank Battery located in Unit G of Section 12, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

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Oil and gas production from the wells shall be allocated on the basis of monthly periodic well tests, while total production from all the wells commingled at the Central Tank Battery shall be metered prior to being sold. This meter shall be calibrated semi-annually.

The producer/operator shall notify the transporter of this commingling authority.

The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

The provisions of Order No. PLC-13 and its amendment shall remain in full force and effect.

DONE at Santa Fe, New Mexico, on September 25, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs