

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director
Oil Conservation Division



June 6, 2013

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-374
Administrative Application Reference No. pPRG1312744280

Apache Corporation
Attn: Ms. Reesa Holland Fisher

Pursuant to your application received on May 6, 2013., Apache Corporation (OGRID 873) is hereby authorized to surface commingle oil and gas from the following pools located in Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Penrose-Skelly; Grayburg (24150)
Eunice; San Andres (50350)

and from the following diversely owned wells located on State of New Mexico leases in said section, township and range in Lea County, New Mexico:

State Lands 15 Well No. 1
API No. 30-025-06630
660 FSL & 660 FWL, Unit M

State Lands 15 Well No. 2
API No. 30-025-06631
1980 FSL & 1980 FWL, Unit N

State Lands 15 Well No. 7
API No. 30-025-37364
330 FSL & 330 FWL, Unit M

State Lands 15 Well No. 8
API No. 30-025-37365
330 FSL & 1650 FWL, Unit N

State Lands 15 Well No. 12
API No. 30-025-37496

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350 FSL & 990 FEL, Unit P

State Lands 15 Well No. 13
API No. 30-025-37482
330 FSL & 2200 FEL, Unit O

State Lands 15 Well No. 16
API No. 30-025-38378
990 FSL & 1650 FEL, Unit O

State Lands 15 Well No. 17
API No. 30-025-39449
990 FSL & 330 FEL, Unit P

State Lands 15 Well No. 18
API No. 30-025-39605
660 FSL & 1650 FEL, Unit O

State Lands 15 Well No. 19
API No. 30-025-39606
944 FSL & 387 FWL, Unit M

The State Lands Well No. 7 is being re-completed in the Eunice; San Andres. All of the other above-named wells are completed only in the Penrose-Skelly; Grayburg.

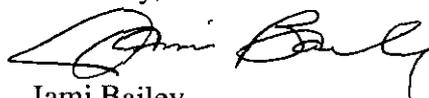
The commingled gas production shall be measured and sold at the State Land 15 central delivery point located in Unit N of Section 16. Production will be allocated to the individual wells based on periodic well tests.

The 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.

This approval is subject to like approval from the New Mexico State Land Office before commencement of the commingling operations.

Sincerely,



Jami Bailey
Division Director

JB/db

cc: Oil Conservation Division District Office – Hobbs
New Mexico State Land Office