



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

COMMINGLING ORDER PC-218
4th Amendment

Apache Corporation
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400

Attention: Ms. Debra J. Anderson

Lease: Grizzell Lease
Description: SE/4 of Section 8, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

The above-named company is hereby authorized to commingle Penrose Skelly-Grayburg (Oil – 50350), Paddock (Oil – 49210), Blinbry Oil and Gas (6660), Drinkard (Oil – 19190) and **Southwest Eunice-San Andres (Oil – 24180)** Pool production and to determine the production from each pool by well test. This method is authorized only so long as all commingled production is of marginal nature; further the operator shall notify the Santa Fe office of the Division in the event any well on the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate. All commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.

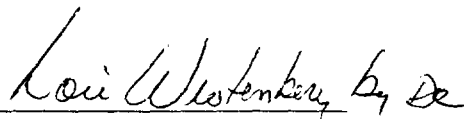
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The commingled production shall be stored at the tank battery facility located in the NE/4 SE/4 of Section 8, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

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August 9, 2000
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DONE at Santa Fe, New Mexico, on this 9th day of August, 2000.

A handwritten signature in cursive script, reading "Lori Wrotenbery", followed by a small mark that appears to be "by de". The signature is written in dark ink on a white background.

LORI WROTENBERY,
Division Director

LW/MWA/kv

cc: Oil Conservation Division- Hobbs