

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



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IN REPLY REFER TO: NM134086 3105.2 (P0220)

Reference: Amendment Request Communitization Agreement NM134086 Township 17 South, Range 31 East Eddy County, NM

Apache Corporation 303 Veterans Airpark Ln Midland, TX 79705-9909

Gentlemen:

Your letter of dated July 7, 2015 requests that Communitization Agreement No. NM134086 involving 639.56 acres of Federal land in lease NMLC029426A, 1919.88 acres of Federal land in lease NMLC029426B, 1885.00 acres of Federal land in lease NMLC029435B and 606.92 acres of Federal land in lease NMLC029435A, Eddy County, New Mexico, Paragraph ten (10) be amended by the removal of the following statement from the effective date: " or from the onset of production of Communitized Substances, whichever is earlier"

In as much as the date of November 1, 2013 provided for in the February 22, 2015 approval letter by the Authorized Officer, corresponds to the first producing horizontal well within the Communitization Agreement and all parties concur that this date should be the effective date, the Bureau of Land Management concurs and approves the proposed amendment such that Paragraph ten (10) now reads as follows:

"10. The date of this agreement is November 1, 2013, and it shall become effective as of this date, upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period."

Case No. 15316 *Apache* Exhibit 13

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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.

If you have any questions regarding this approval, please contact Edward Fernandez, Petroleum Engineer at (575) 234-2220.

Sincerely,

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George MacDonell Field Manager

cc:

ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room)