

RECEIVED OCD

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

December 10, 2015

SANTA FE, NEW MEXICO 87504-1148

Apache Corporation 303 Veterans Airpark Lane, Suite 3000 Midland, Texas 79705-9909

Attention: Ms. Laci Lawrence

Re: Final Approval

Pacifico State San Andres Unit Agreement

Lea County, New Mexico

Dear Ms. Lawrence:

This office is in receipt of your letter of December 7, 2015, wherein you have requested final approval to the Pacifico State San Andres Unit Agreement, Lea County, New Mexico.

Please be advised that the Commissioner of Public Lands has this date granted final approval to the Pacifico State San Andres Unit Agreement, Lea County, New Mexico. Our approval is subject to like approval by the New Mexico Oil Conservation Division. It is our understanding that all tracts are fully committed to the unit at this time.

Enclosed are (5) Certificates of Approval.

Your \$300.00 filing fee has been received.

Please submit continuous daily drilling reports to this office for the initial well until completion.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours.

MISSIONER OF PUBLIC LANDS

AD/pm

Reader File. cc:

NMOCD Attention: Mr. Daniel Sanchez TRD-Attention: Ms. Billie Luther RMD-Attn: Mr. Danny Martinez

COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

RECEIVED OCCUPERATOR: PACIFICO SAN ANDRES STATE UNIT

UNIT#

300373

UNIT TYPE: SEXPL

OCD CASE NO. P.3: 19

DATE APPROVED:

15400 TOTAL

INDIAN SEGREGATION TERM

R-14085 ACREAGE STATE FEDERAL FEE CLAUSE

EFFECTIVE

CASE NO.

12/10/2015 OCD ORDER NO.

15400

12/10/2015

ORDER NO.

R-14085

4,312.30 4,312.30

STRICT

5 YEARS & SO LONG AS

APPROVALS

SLO-12/10/2015 OCD- 11/30/2015

TOWNSHIP 10 SOUTH, RANGE 36 EAST

SECTION 05: S/2

SECTION 06: S/2

SECTION 07: ALL

SECTION 08: ALL

SECTION 16: ALL

SECTION 17: N/2

SECTION 18: N/2, SW/4, N/2SE/4

SECTION 19: N/2

SECTION 20: E/2

SECTION 21: NW/4, W/2NE/4

ii)



Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

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Fax (505) 827-5766 www.nmstatelands.org

COMMISSIONER'S OFFICE

Phone (505) 827-5760

October 27, 2015

Apache Corporation 303 Veterans Airpark Lane, Suite 3000 Midland, Texas 79705-9909

Attention: Ms. Laci Lawrence

Re: Preliminary Approval

Proposed Pacifico State San Andres Unit

Lea County, New Mexico

Dear Ms. Lawrence:

This office has received the unexecuted copy of the unit agreement, which you have submitted for the proposed Pacifico State San Andres Unit area, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short-term leases, until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

- 1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
- 2. Pursuant to Rule 19.2.100.51, applications for approval shall contain a statement of facts showing:
 - That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy.
 - That under the proposed unit operation, the State of New Mexico will receive its fair share of the recoverable oil and gas in place under its lands in the proposed unit area.
 - That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the unit area.
 - d. That such unit agreement is in other respects for the best interest of the trust,
- 3. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.

Apache Corporation October 27, 2015 Page 2

- 4. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
- 5. Please submit two copies of the Unit Agreement.
- 6. A copy of the Unit Operating Agreement (if applicable).

The filing fee for a unit agreement is \$30.00 for every section or partial section thereof. Please submit a \$300.00 filing fee.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/pm

cc:

Reader File,

NMOCD Attention: Mr. Daniel Sanchez TRD-Attention: Ms. Billie Luther RMD-Attention: Mr. Danny Martinez