

310 OLD SANTA FE TRAIL

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

State of New Mexico AN 21 P 2:01 COMMISSIONER'S OFFICE Commissioner of Public Lands

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

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RECEIVED OCD

January 11, 2016

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

Attention: Ms. Laci Lawrence

Re: Fire Eagle State San Andres Unit Agreement Lea County, New Mexico

Dear Ms. Lawrence:

This office is in receipt of your letter of December 30, 2015, wherein you have requested final approval to the Fire Eagle State San Andres Unit Agreement, Lea County, New Mexico.

We regret to inform you that the Fire Eagle SA Unit is not in order for approval. Our records reflect that Tract Nos. 8 and 19 are in the Lewis Unit currently being operated by Aspen Operating Company LLC. The Lewis Unit covers ALL FORMATIONS and is described as SW/4SW/4 Sec. 3-10S-36E and SE/4SE/4 Sec. 4-10S-36E. Since both units are overlapping the same acreage, please remove these subdivisions from the Fire Eagle State San Andres Unit Agreement and Exhibits "A" "B" and "C". The total acreage must also be updated to reflect these changes.

Your \$180.00 filing fee has been received.

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

Very truly your

AUBE COMMISSIONER OF PUBLIC LANDS

AD/pm

cc;

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

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Commissioner of Public Lands 310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

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October 27, 2015

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

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COMMISSIONER'S OFFICE Phone (505) 827-5760

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

R: 14108

Attention: Ms. Laci Lawrence

Re: Preliminary Approval Proposed Fire Eagle 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 Fire Eagle 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:
 - a. That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy.
 - b. 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.
 - c. 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.

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- 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 \$180.00 filing fee.

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

Very muly yours O AUBRE

COMM/SSIONER OF PUBLIC LANDS

AD/pm cc:

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