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Ray Powell, M.S., D.V.M. COMMISSIONER

State of New Mexico Commissioner of Public Lands 13

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

December 9, 2011

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

Attn: Ms. Michelle Hanson

Re:

West Tatum State Exploratory Unit Well No.1

Request for Extension Lea County, New Mexico

Dear Ms. Hanson:

We are in receipt of your letter of December 8, 2011. In your letter you have advised that you have no short term leases in the unit and have requested an extension of time in which to commence the drilling of the West Tatum State Exploratory Unit Well No. 1.

The Commissioner of Public Lands hereby grants you an extension to January 13, 2012 to commence the drilling of the initial well pursuant to Article 8 of the West Tatum State Exploratory Unit Agreement.

Please notify this office when operations commence on the initial well.

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

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

Larry J. Roybal, Director

Oil, Gas and Minerals Division

(505) 827-5744 RP/LR/pm

cc: Reader File.

OCD-Attention: Mr. Ed Martin



Ray Powell, M.S., D.V.M. COMMISSIONER

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State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE. NEW MEXICO 87504-1148 2011 AUG 26 COMMISSIONER'S OFFICE Phlong (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

August 23, 2011

Apache Corporation 303 Veterans Airpark Ln, Suite 3000 Midland, TX 79705-9909

Attention: Ms. Michelle Hanson

Re:

Preliminary Approval

West Tatum State Exploratory Unit Agreement

Lea County, New Mexico

Dear Ms. Hanson:

This office has received the unexecuted copy of the unit agreement which you have submitted for the proposed West Tatum State Exploratory 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.

- 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).
- 7. Copies of all the well records for the initial unit well
- 8. Please date the Unit Agreement.

The filing fee for a unit agreement is \$30.00 for every section or partial section thereof. Please submit a \$210.00 filing fee.

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

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

Oil, Gas and Minerals Division

RP/LR/pm

pc:

Reader File,

NMOCD - Attn: Mr. Ed Martin