

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



January 30, 2018

Surface Commingling Order PLC-497
Administrative Application Reference No. pMAM1735654116

APACHE CORPORATION
Attention: Ms. Reesa Fisher

Pursuant to your application received on December 22, 2017, Apache Corporation (OGRID 837) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 20, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico;

| | |
|------------|---------|
| WANTZ; ABO | (62700) |
| DRINKARD | (19190) |

and from the following diversely owned federal wells and leases in Section 20, Township 22 South, Range 37 East, in Lea County, New Mexico.

| | | |
|--------------|---|------------------|
| Lease: | Federal lease NMNM 05726 | |
| Description: | SW/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM | |
| Well: | Elliott EM 20 Federal Well No. 1 | API 30-025-41442 |
| Pool: | Wantz; Abo | |

| | | |
|--------------|---|------------------|
| Lease: | Federal lease NMNM 05726 | |
| Description: | SE/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM | |
| Well: | Elliott EM 20 Federal Well No. 3 | API 30-025-41443 |
| Pool: | Wantz; Abo | |

| | | |
|--------------|---|------------------|
| Lease: | Federal lease NMNM 05726 | |
| Description: | SW/4 NE/4 of Section 20, Township 22 South, Range 37 East, NMPM | |
| Well: | Elliott EM 20 Federal Well No. 5 | API 30-025-41445 |
| Pool: | Wantz; Abo | |

| | | |
|--------------|---|------------------|
| Lease: | Federal lease NMNM 05726 | |
| Description: | SW/4 NE/4 of Section 20, Township 22 South, Range 37 East, NMPM | |
| Well: | Elliott EM 20 Federal Well No. 6 | API 30-025-41446 |
| Pool: | Wantz; Abo | |

Lease: Federal lease NMNM 05726
Description: SE/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM
Well: Elliott EM 20 Federal Well No. 4 API 30-025-41444
Pool: Drinkard

The acreage for the combined oil and gas spacing units for these wells includes the SW/4 NE/4 and the S/2 NW/4 of Section 20, all in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Elliott EM "20" Federal Well No. 1 central tank battery (CTB), located in Unit E, of Section 20, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

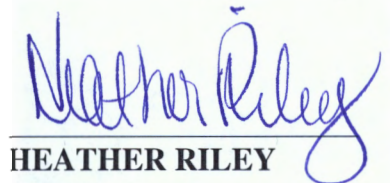
The oil and gas production from the Elliott EM 20 Federal Well No. 3, Elliott EM 20 Federal Well No. 4, Elliott EM 20 Federal Well No. 5, and Elliott EM 20 Federal Well No. 6 shall be metered with a combination of metering and testing. The Elliott EM 20 Federal Well No. 1 shall be metered separately.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This administrative order supersedes Administrative Order CTB-789, issued on June 9, 2016. This administrative order adds the Drinkard Pool and permits the same measurement method.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.



HEATHER RILEY
Director

HR/mam

cc: Oil Conservation Division - Hobbs District Office
Bureau of Land Management – Carlsbad Field Office

| | | | |
|-------------------------|------------------|--------------|--------------------------|
| RECEIVED: 12/22/2017 | REVIEWER: MAM | TYPE: PLC | APP NO: PMAM173564116 |
|-------------------------|------------------|--------------|--------------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

1-08-2017

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: APACHE CORP. **OGRID Number:** 873
Well Name: Elliott EM 20 Federal Battery (Recomplete of Well #4) **API:** 30-025-41444
Pool: Drinkard & Wantz; Abo **Pool Code:** 19190 & 62700

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
 B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

RECEIVED OCD
 2017 DEC 22 A 9:52

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Reesa Fisher

Print or Type Name

Reesa Fisher

Signature

Digitally signed by Reesa Fisher
 Date: 2017.12.22 08:58:14 -0600

12/21/2017

Date

432-818-1062

Phone Number

Reesa.Fisher@apachecorp.com

e-mail Address



December 22, 2017

Michael McMillan
New Mexico Oil Conservation Division
1220 South St Francis Drive
Santa Fe NM 87505

Re: Request to Administratively Amend Order CTB-789 to a Pool Commingle
Drinkard (19190) & Wantz; Abo (62770)
Lea County, New Mexico

Dear Mr. McMillan:

Apache respectfully requests administrative approval to amend Order CTB-789 to a Pool Commingle Order, by adding Drinkard production to the existing Abo production. In 2018, Apache will be submitting our intention to recomplete the Elliott EM 20 Federal #4 to the Drinkard formation, while plugging off the Abo.

Please find attached all supporting documentation, which has also been provided to the BLM for concurrent approval. Included in the package is evidence of interest owner notification. Please feel free to contact me if further information is required.

Sincerely,

A handwritten signature in cursive script that reads "Reesa Fisher".

Reesa Fisher
Sr Staff Regulatory Analyst

Enclosures

HOBBS OCD

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240
DISTRICT II
1501 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87508

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 18, 2010

Submit one copy to appropriate
District Office

RECEIVED OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-----------------------------------|---|--------------------------------|
| API Number 30-025-41442 | Pool Code 62700 | Pool Name WANTZ, ABO |
| Property Code 40164 | Property Name ELLIOTT EM "20" FEDERAL | Well Number 001 |
| OCRD No. 873 | Operator Name APACHE CORPORATION | Elevation 3399' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| E | 20 | 22 S | 37 E | | 1650 | NORTH | 330 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|---|--|
| <p>SURFACE LOCATION Lat - N 32°22'48.27" Long - W 103°11'33.19" NMSPC- N 503880.497 E 893509.729 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°22'47.83" Long - W 103°11'31.50" NMSPC- N 503820.676 E 852324.608 (NAD-27)</p> | <p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Reesa Fisher</i> 4/1/14 Signature Date REESEA FISHER Printed Name Reesa.Fisher@apachecorp.com Email Address</p> |
| | <p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>APR 15 2014 Date Surveyed Signature & Seal of Professional Surveyor 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS 26492</p> |

APR 14 2014

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. El. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 18, 2010
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District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

NOV 14 2010

WELL LOCATION AND ACREAGE DEDICATION

☐ AMENDED REPORT

| | | |
|-----------------------------------|---|--------------------------------|
| API Number 30-025-41443 | Pool Code 62700 | Pool Name WANTE; ABO |
| Property Code 40164 | Property Name ELLIOTT EM "20" FEDERAL | Well Number 003 |
| OGRD No. 873 | Operator Name APACHE CORPORATION | Elevation 3390' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| F | 20 | 22 S | 37 E | | 1650 | NORTH | 1650 | WEST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|---|---|
| <p>SURFACE LOCATION Lat - N 32°22'48.29" Long - W 103°11'17.80" NMSPCE- N 503896.215 E 894829.420 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°22'47.84" Long - W 103°11'16.11" NMSPCE- N 503836.473 E 863644.292 (NAD-27)</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Reesa Fisher</i> 10/15/14 Signature Date</p> <p>REESA FISHER Printed Name <i>Reesa.fisher@apachecorp.com</i> Email Address</p> |
| | <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>APPROVED: 10/15/14 Date Surveyed Signature & Seal of Professional Surveyor 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS 26494</p> |

NOV 19 2010

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
1901 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

HOBBSOCD

JAN 30 2015
Form C-102
Revised July 18, 2010

Submit one copy to appropriate
District Office
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-----------------------------------|---|--------------------------------|
| API Number 30-025-41445 | Pool Code 62700 | Pool Name WANTZ, ABO |
| Property Code 40164 | Property Name ELLIOTT EM "20" FEDERAL | Well Number 005 |
| GRID No. 873 | Operator Name APACHE CORPORATION | Elevation 3379' |

Surface Location

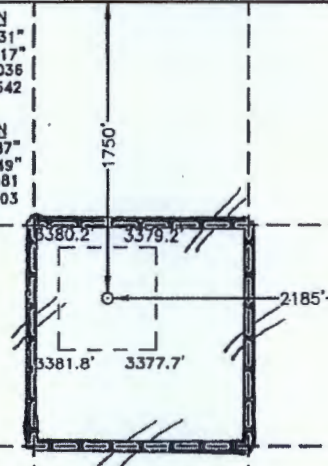
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 20 | 22 S | 37 E | | 1750 | NORTH | 2185 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | |
|---|---|--|
| <p>SURFACE LOCATION Lat - N 32°22'47.31" Long - W 103°11'01.17" NADSPCE - N 503813.036 E 896256.542 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°22'46.87" Long - W 103°10'59.49" NADSPCE - N 503763.381 E 855071.403 (NAD-27)</p> |  | <p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Reesa Fisher</i> 1/20/15 Signature Date REESEA FISHER Printed Name Reesa.Fisher@apachecorp.com Email Address</p> <p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>APPROVED BY: <i>[Signature]</i> Date Surveyed: 1/15/2015 Signature & Stamp of Professional Surveyor GARY L. JONES 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS 26496</p> |
|---|---|--|

FEB 10 2015

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1320 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

HOBBSOCD

JAN 15 2015

Form C-102
Revised July 18, 2010
Submit one copy to appropriate
District Office

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-----------------------------------|---|--------------------------------|
| API Number 30-023-41446 | Pool Code 62700 | Pool Name WANTZ, ABO |
| Property Code 40164 | Property Name ELLIOTT EM "20" FEDERAL | Well Number 006 |
| OGRID No. 873 | Operator Name APACHE CORPORATION | Elevation 3375' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 20 | 22 S | 37 E | | 2310 | NORTH | 1650 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|------------------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|---|--|
| <p>SURFACE LOCATION Lat - N 32°22'41.78" Long - W 103°10'54.95" NAD-83 NAD-27</p> <p>SURFACE LOCATION Lat - N 32°22'41.33" Long - W 103°10'53.27" NAD-83 NAD-27</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Reesa Fisher</i> 1/7/15 Signature Date REESA FISHER Printed Name Reesa.Fisher@apachecorp.com Email Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>APPROVED: 1/15/2015 Date Surveyed Signature of Professional Surveyor Professional Surveyor 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS 26497</p> |
|---|--|

JAN 21 2015

fm

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--|
| ¹ API Number 30-025-41444 | ² Pool Code 19190 | ³ Pool Name Drinkard |
| ⁴ Property Code 40164 | ⁵ Property Name Elliott EM 20 Federal | |
| ⁷ OGRID No. 873 | ⁸ Operator Name Apache Corporation | ⁶ Well Number 004 ⁹ Elevation 3382' |

¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no. F | Section 20 | Township 22S | Range 37E | Lot Idn | Feet from the 2310 | North/South line North | Feet from the 2310 | East/West line West | County Lea |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|---------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

| | | | |
|-------------------------------------|-------------------------------|----------------------------------|------------------------------------|
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. CTB-789 |
|-------------------------------------|-------------------------------|----------------------------------|------------------------------------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | |
|-------------------|--|
| ¹⁶ | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature Date 11/1/2017 Reesa Fisher Printed Name Reesa.Fisher@apachecorp.com E-mail Address |
| | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: |
| | Certificate Number |
| | |



December 22, 2017

Michael McMillan
New Mexico Oil Conservation Division
1220 South St Francis Drive
Santa Fe NM 87505

Re: Request to Administratively Amend Order CTB-789 to a Pool Commingle
Drinkard (19190) & Wantz; Abo (62770)
Lea County, New Mexico

Dear Mr. McMillan:

Apache respectfully requests administrative approval to amend Order CTB-789 to a Pool Commingle Order, by adding Drinkard production to the existing Abo production. In 2018, Apache will be submitting our intention to recomplete the Elliott EM 20 Federal #4 to the Drinkard formation, while plugging off the Abo.

Please find attached all supporting documentation, which has also been provided to the BLM for concurrent approval. Included in the package is evidence of interest owner notification. Please feel free to contact me if further information is required.

Sincerely,

A handwritten signature in red ink that reads "Reesa Fisher".

Reesa Fisher
Sr Staff Regulatory Analyst

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0557256

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

ELLIOTT EM 20 FEDERAL 4

2. Name of Operator

APACHE CORPORATION

Contact: REESA FISHER

E-Mail: Reesa.Fisher@apachecorp.com

9. API Well No.

30-025-41444

3a. Address

303 VETERANS AIRPARK LANE SUITE 3000
MIDLAND, TX 79705

3b. Phone No. (include area code)

Ph: 432-818-1062

10. Field and Pool or Exploratory Area
DRINKARD

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 20 T22S R37E SENW 2310FNL 2310FWL

11. County or Parish, State

LEA COUNTY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Surface Commingling |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Upon recomple of well #4 to the Drinkard, Apache would like to Pool Commingle at the surface all production from the following wells:

Elliott EM 20 Federal #1 (API 30-025-41442) E-20-22S-37E 1650 FNL 330 FWL
 Elliott EM 20 Federal #3 (API 30-025-41443) F-20-22S-37E 1650 FNL 1650 FWL
 Elliott EM 20 Federal #4 (API 30-025-41444) F-20-22S-37E 2310 FNL 2310 FWL
 Elliott EM 20 Federal #5 (API 30-025-41445) G-20-22S-37E 1750 FNL 2185 FEL
 Elliott EM 20 Federal #6 (API 30-025-41446) G-20-22S-37E 2310 FNL 1650 FEL

Please find attached back-up information substantiating no negative revenue impact by adding Drinkard production to the Abo battery.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #398286 verified by the BLM Well Information System
For APACHE CORPORATION, sent to the Hobbs**

Name (Printed/Typed) REESA FISHER

Title SR STAFF REGULATORY ANALYST

Signature (Electronic Submission)

Date 12/18/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #398286 that would not fit on the form

32. Additional remarks, continued

Initial Battery Information:

This battery is located in SW/NW of Sec. 20, T22S, R37E. Please see attached schematics and plats, along with other supporting data being submitted for BLM & OCD approval, concurrently. All interests are identical at all depths below the base of the Queen formation. Apache believes commingling will not decrease the value of the production from each well. Additionally, Apache believes commingling will prevent waste and promote conservation by utilizing the same tank battery equipment for each well, thereby reducing the incremental investment capital that would otherwise be needed to build a separate facility or separately meter for each well or formation produced and, as a result will extend the economic life of the wells and leases.



September 20, 2017

Carlsbad Field Office
Bureau of Land Management
620 E Greene St
Carlsbad NM 88220

Re: Application for Surface Commingling, Measurement of Individual Well Production
Township 22 South, Range 37 East
Section 20: S/2 NW/4, SW/4 NE/4
Lea County, New Mexico

To Whom It May Concern:

Apache is proposing to recompleat the EM Elliott Federal 20 #4 well (currently under temporary abandonment status) to the Drinkard. Upon performing this work, both Drinkard and ABO pools will be commingled in the same battery. Attached, please find oil analysis from the current production at the EM Elliott Federal 20 lease (ABO pool only) and from the nearby State PA lease (Blinbry, Tubb, Drinkard, and ABO pools). Per Apache's contract, the threshold for compensation classification between sweet and sour crude oil is a sulfur content less or more than 0.4 wt. percent respectively. Since both analysis show the crude oil to be sour, no negative impact will be felt on Apache's oil sale's price at this lease.

If you have any question regarding the aforementioned, please do not hesitate contacting the undersigned at (432) 818-1961

Sincerely,
APACHE CORPORATION

A handwritten signature in black ink, reading "Jacob D. Bower", with a long horizontal line extending to the right.

Jacob Bower
Production Engineer
jacob.bower@apachecorp.com

Fisher, Reesa

From: Smith, David
Sent: Monday, April 17, 2017 10:30 AM
To: Bower, Jacob
Cc: Fisher, Reesa
Subject: RE: EM Elliott Federal 20 Lease

Jacob,

As per our telephone conversation, the oil currently being sold from this particular Central Tank Battery (ELLIOTT EM 20 FED OIL|50712) is being paid on a WTI (West Texas / New Mexico Intermediate) quality price basis with no adjustment for gravity.

FYI – a WTI crude quality crude oil has a sulfur content of less than 0.40 weight percent.

If you add additional oil into this Central Tank Battery that has a sulfur content greater than 0.40 weight percent and the composite of that crude to be sold to our purchaser / transporter is greater than 0.40 weight percent then there is a possibility that the price basis we sell this crude would become a WTS (West Texas / New Mexico Sour) quality which historically is priced less than a WTI quality.

If more information is required please advise.

DAVID SMITH

direct 713-296-7239 | mobile 432-559-1924

From: Bower, Jacob
Sent: Monday, April 17, 2017 10:02 AM
To: Smith, David <David.Smith@apachecorp.com>
Cc: Fisher, Reesa <Reesa.Fisher@apachecorp.com>
Subject: EM Elliott Federal 20 Lease

David,

I was told you were the man to talk to regarding oil marketing. I'm needing to put something together for the BLM for a surface comingle on the above lease that shows that mixing crude from different formations won't damage our revenue from said crude. Basically, I was wondering if there is a gravity component to our compensation, or if we are compensated the same amount per bbl regardless of the bbl quality?

Thanks,

JACOB BOWER

PRODUCTION ENGINEER II

Permian Region – Northwestern District



LABORATORY SERVICES
Natural Gas Analysis

www.permianls.com

575.397.3713 2609 W Marland Hobbs NM 88240

Apache Corporation
Attention: Rick Valles
P. O. Box 1849
Eunice, New Mexico 88231

04/24/17

| | RVP | API Gravity | Specific Gravity | Sulfur |
|--------------------|----------|----------------|---------------------|-------------|
| EM Elliott Fed. 20 | 3.40 PSI | 39.0 | 0.8299 | 0.680 wt. % |

Test Method ASTM D323 RVP
Test Method ASTM D287 API Gravity
Test Method ASTM D4294 Sulfur



LABORATORY SERVICES
Natural Gas Analysis

www.permianls.com
575.397.3713 2609 W Marland Hobbs NM 88240

Apache Corporation
Attention: Rick Valles
P. O. Box 1849
Eunice, New Mexico 88231

05/02/17

| | RVP | API Gravity | Specific Gravity | Sulfur |
|----------|----------|----------------|---------------------|-------------|
| State PA | 3.60 PSI | 36.3 | 0.8432 | 0.412 wt. % |

Test Method ASTM D323 RVP
Test Method ASTM D287 API Gravity
Test Method ASTM D4294 Sulfur

(0557256)
Wells within the boundaries of the Bureau of Land Management Lease USA NMNM-~~057256~~ as it
pertains to the following described lands:

Township 22 South, Range 37 East
Section 20: S/2 NW/4, SW/4 NE/4
Lea County, New Mexico

- Elliott EM 20 Federal #001 (API 30-025-41442)
- Elliott EM 20 Federal #003 (API 30-025-41443)
- Elliott EM 20 Federal #004 (API 30-025-41444)
- Elliott EM 20 Federal #005 (API 30-025-41445)
- Elliott EM 20 Federal #006 (API 30-025-41446)

DATE: 5/10/2016

**Elliott EM Federal Lease
Section 20 T22S R37E
Lea County, New Mexico**

Apache

PERMIAN OFFICE
303 Veterans Airpark Ln #600
Midland, TX 79705
Phone: (432) 818-1000

Legend

• Elliott EM Federal Wells

□ Elliott_EM_Federal_Lease

1:12,000

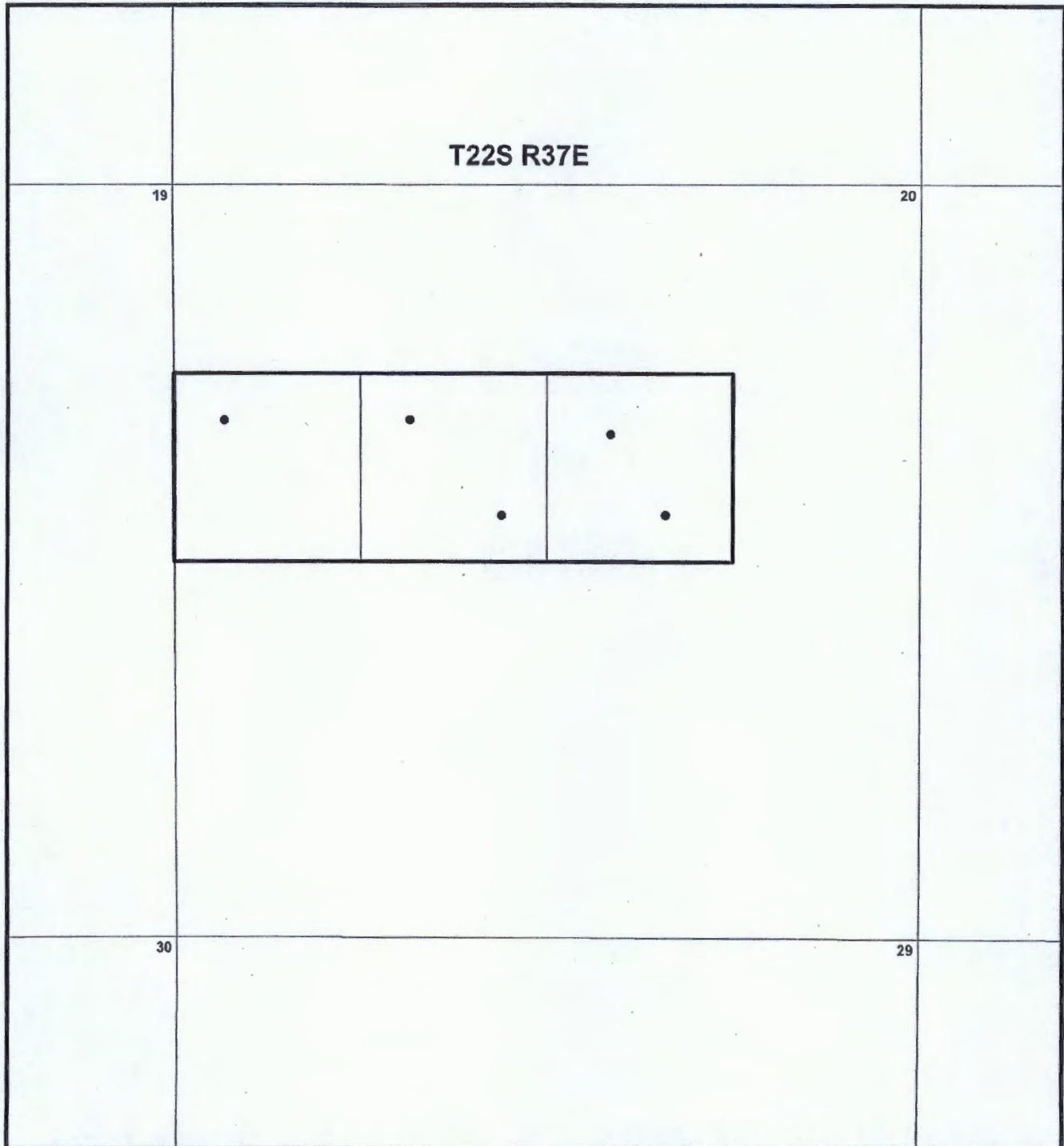
1" = 1,000'

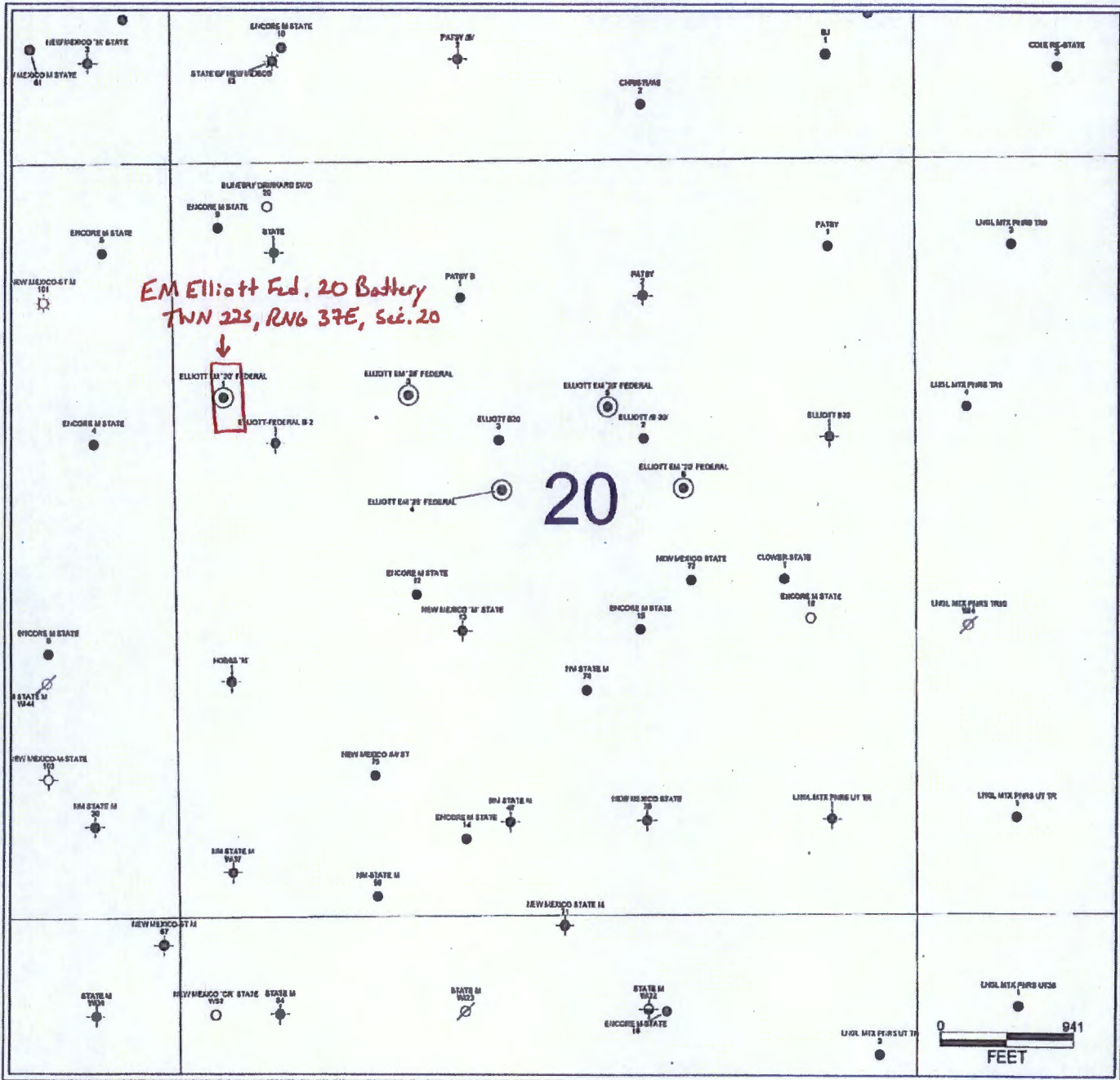
0

2,640

5,280

Feet





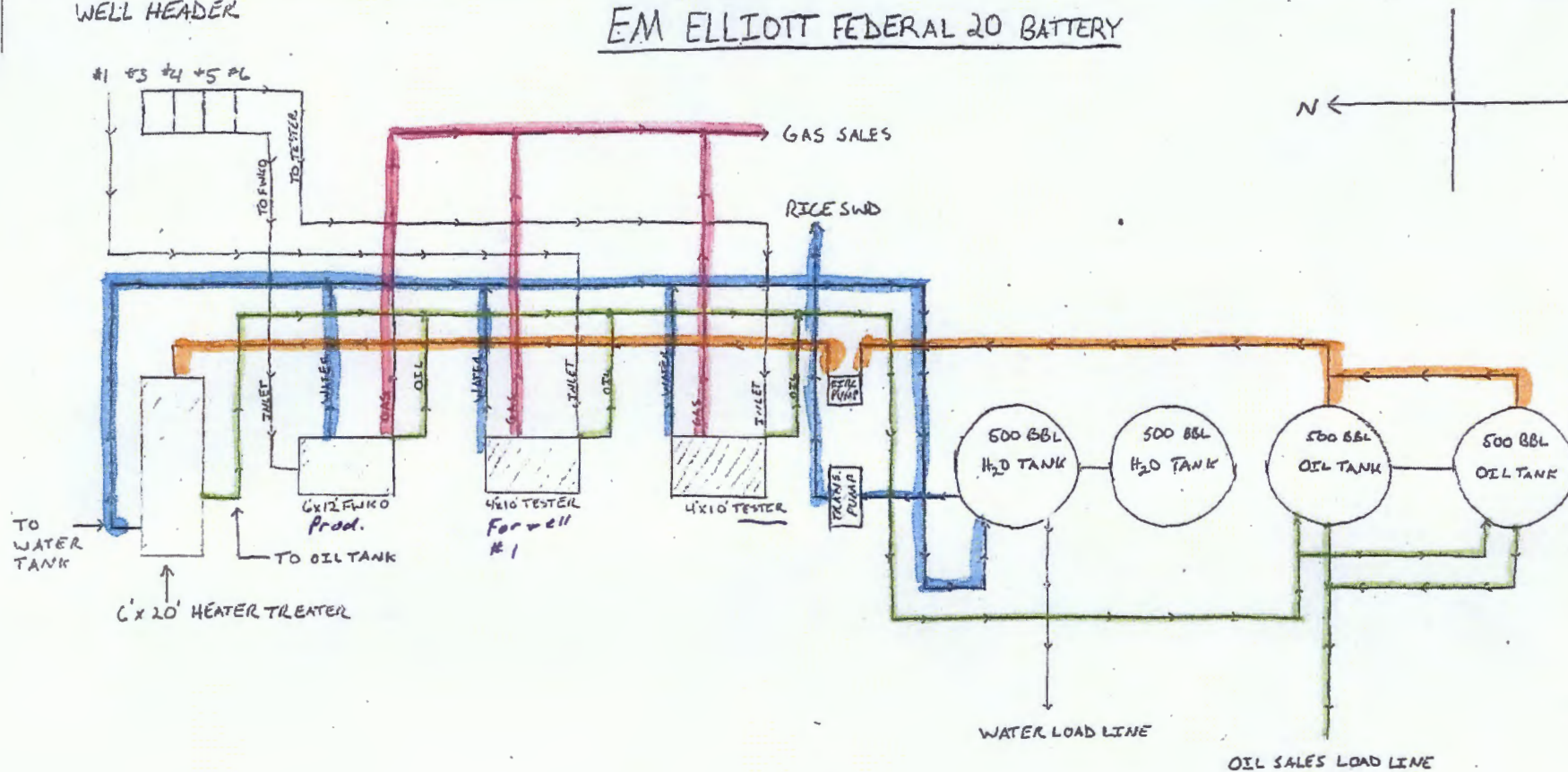
PETRA 5/8/2016 2:48:30 PM

Note: Battery size not to scale

CTOPS

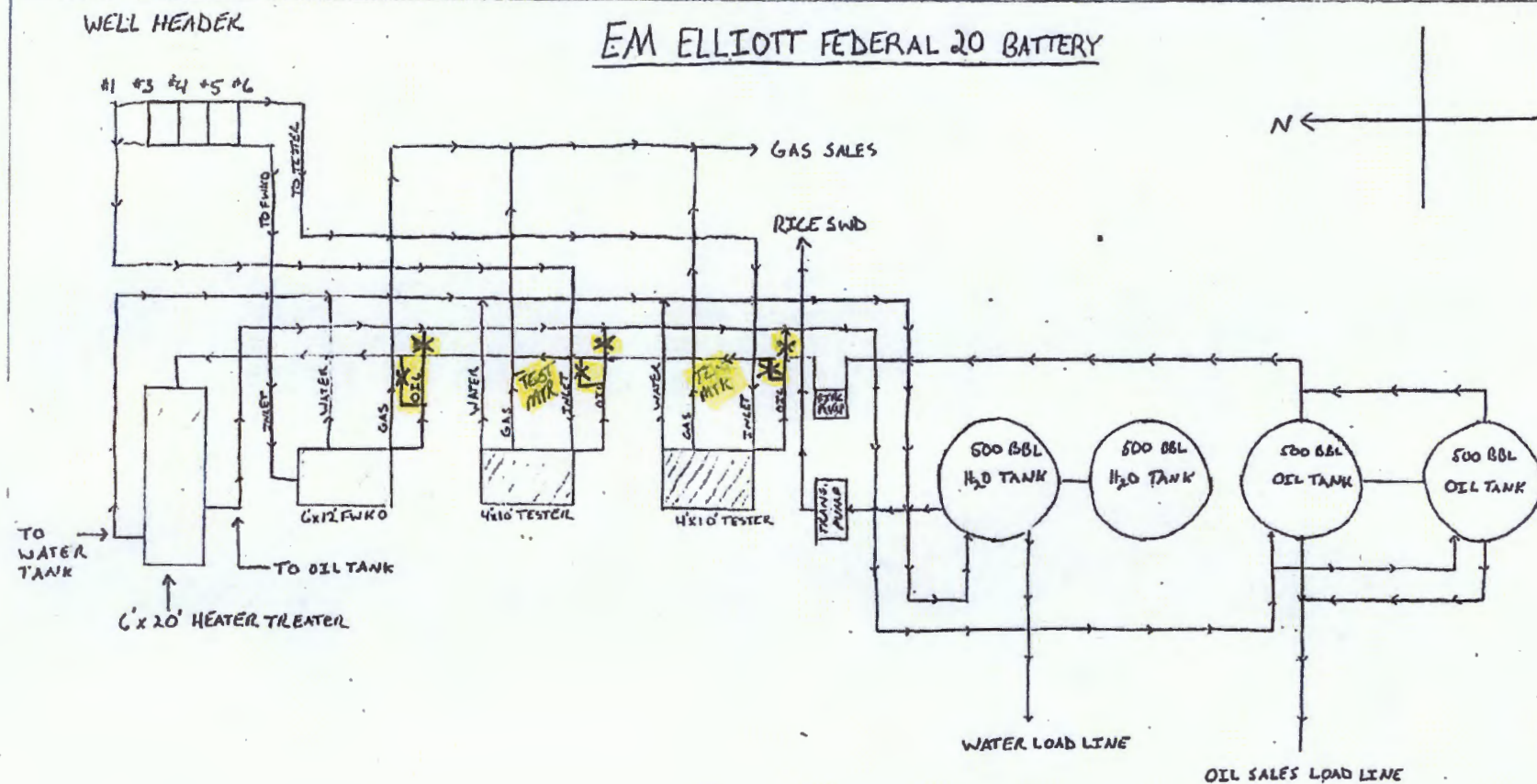
WELL HEADER

EM ELLIOTT FEDERAL 20 BATTERY



NOTE: Drawing is not to scale and only represents the relative location of equipment.

LEGAL: 20 T225 R37E



NOTE: Drawing is not to scale and only represents the relative location of equipment.

ALL OIL GOES BACK TO HEATER THEN TO TANKS!
WTR GOES STRAIGHT TO TANKS FROM VESSALS!



December 21, 2017

Sent via certified mail

Interest Owner Name

Street #

City, State Zip

RE: Notice of Intent to Surface Commingle Production from the
Elliott EM 20 Federal #1, #3, #4, #5, and #6
Section 20, Township 22 South, Range 37 East
Lea County, New Mexico

Dear Interest Owners,

Apache Corporation ("Apache") hereby requests your approval to surface commingle production from the following existing wells:

- Elliott EM 20 Federal #1: API 30-025-41442, a vertical well located at 1,650' FNL and 330' FWL, UL E, Section 20, T-22-S, R-37-E, producing from the Wantz: Abo pool
- Elliott EM 20 Federal #3: API 30-025-41443, a vertical well located at 1,650' FNL and 1,650' FWL, UL F, Section 20, T-22-S, R-37-E, producing from the Wantz: Abo pool
- Elliott EM 20 Federal #5: API 30-025-41445, a vertical well located at 1,750' FNL and 2,185' FEL, UL G, Section 20, T-22-S, R-37-E, producing from the Wantz: Abo pool
- Elliott EM 20 Federal #6: API 30-025-41446, a vertical well located at 2,310' FNL and 1,650' FEL, UL G, Section 20, T-22-S, R-37-E, producing from the Wantz: Abo pool
- Elliott EM 20 Federal #4: API 30-025-41444, a vertical well located at 2,310' FNL and 2,310' FWL, UL F, Section 20, T-22-S, R-37-E, proposed to produce from the Drinkard pool

Please be aware that the interest ownership differs slightly between the Elliott EM 20 Fed #3, #4, #5, and #6 and the Elliott EM 20 Fed #4 wells. In order to commingle production at the surface, production from each of the wells must be allocated by well test to account for the difference in ownership.

Enclosed for your review is a copy of Apache's application requesting approval from the New Mexico Oil Conservation Division and BLM to surface commingle the referenced wells. To evidence your approval for the surface commingling of production, please execute the signature block below and return one copy of this letter to my attention by e-mail, fax, or using the prepaid return envelope enclosed herewith. Should you have any questions, please don't hesitate to contact me.

Sincerely,

APACHE CORPORATION



Laci Stretcher
Landman
laci.stretcher@apachecorp.com
432-818-1846 (office)
432-818-1197 (fax)

The undersigned hereby approves to surface commingle production, as proposed in this letter, subject to further approval by the New Mexico Oil Conservation Division.

Signature

Printed Name

Title



May 10, 2016

State of New Mexico
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Surface Commingling (Identical Ownership)
Township 22 South, Range 37 East
Section 20: S/2 NW/4, SW/4 NE/4
Lea County, New Mexico

Ladies and Gentlemen:

Identical ownership (working, royalty and overriding royalty) exists under Bureau of Land Management Lease USA NMNM-057256 as it pertains to the following described lands:

Township 22 South, Range 37 East
Section 20: S/2 NW/4, SW/4 NE/4
Lea County, New Mexico

Depths covered under the identical ownership are all depths below the base of the Queen formation. A list of existing wells on the lease area is included herewith, along with a plat depicting the boundaries of the above described lease area.

If you have any question regarding the aforementioned, please do not hesitate contacting the undersigned at (432) 818-2003

Sincerely,
APACHE CORPORATION

A handwritten signature in black ink, reading "Jake Bebermeyer". The signature is written in a cursive style, with the first letters of the first and last names being capitalized and prominent.

Jake Bebermeyer
Landman
jake.bebermeyer@apachecorp.com

Encls.

Elliott EM 20 Fed # 3, 4, 5, & 6 (Abo and Drinkard)

| | Party Name | Addresses | | Certified Mail Number | Mailed Out | Received |
|------------------|-------------------------------------|--|--|--------------------------|------------|----------|
| | | | | | | |
| Royalty Interest | OFFICE OF NATURAL RESOURCES REVENUE | P.O. BOX 25267 DENVER, CO 80225 | | 7017-1000-0000-8634-7361 | 1/5/2018 | |
| Working Interest | APACHE CORPORATION (OPERATOR) | 303 Veterans Airpark Lane, Ste. 1000, Midland, TX 79705 | | Not applicable | N/A | |
| | ZPZ DELAWARE I LLC | 303 Veterans Airpark Lane, Ste. 1000, Midland, TX 79705 | | Not applicable | N/A | |
| | CONOCO PHILLIPS COMPANY | P.O. Box 2197, Houston, TX 77252 | | 7017-1000-0000-8634-7378 | 1/5/2018 | |
| | CHEVRON USA INC | Attn: NOJV Group P.O. Box 2100, Houston, TX 77252 | | 7017-1000-0000-8634-7385 | 1/5/2018 | |

Overriding Royalty NONE

*Conoco went non-consent in the #1 well

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 04:16 PM

Page 1 of 4

Run Date: 11/08/2016

01 02-25-1920;041STAT0437;30USC226

Total Acres
200.000

Serial Number
NMNM-- 0 557256

Case Type 310771: O&G EXCHANGE LEASE - PD

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- 0 557256

| Name & Address | | | Int Rel | % Interest |
|---------------------|----------------------------|----------------------------|------------------|--------------|
| APACHE CORP | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564400 | LESSEE | 25.000000000 |
| BRIGGS RICHARD S | 17 MEADOWBROOK LN | TROPHY CLUB TX 76262 | OPERATING RIGHTS | 0.000000000 |
| CHESAPEAKE EXPL LLC | PO BOX 18496 | OKLAHOMA CITY OK 731540496 | OPERATING RIGHTS | 0.000000000 |
| CHEVRON USA INC | 6301 DEAUVILLE | MIDLAND TX 797062964 | LESSEE | 25.000000000 |
| CONOCOPHILLIPS CO | PO BOX 7500 | BARTLESVILLE OK 740057500 | LESSEE | 25.000000000 |
| CROSSLAND OIL CORP | PO BOX 16186 | FORT WORTH TX 76162 | OPERATING RIGHTS | 0.000000000 |
| FINLEY JAMES D | 1308 LAKE ST #200 | FORT WORTH TX 76102 | OPERATING RIGHTS | 0.000000000 |
| JOHN H HENDRIX CORP | 110 N MARIENFELD #400 | MIDLAND TX 79701 | OPERATING RIGHTS | 0.000000000 |
| JOHN H HENDRIX CORP | PO BOX 3040 | MIDLAND TX 797023040 | OPERATING RIGHTS | 0.000000000 |
| KLEIN MICHAEL L | 500 W TEXAS #1230 | MIDLAND TX 79701 | OPERATING RIGHTS | 0.000000000 |
| POOL JOHN D | PO BOX 5441 | MIDLAND TX 79704 | OPERATING RIGHTS | 0.000000000 |
| SELL STEVE | PO BOX 5061 | MIDLAND TX 79704 | OPERATING RIGHTS | 0.000000000 |
| SMITH & MARRS INC | PO BOX 863 | KERMIT TX 79745 | OPERATING RIGHTS | 0.000000000 |
| VEIRS DANIEL L | PO BOX 3040 | MIDLAND TX 79702 | OPERATING RIGHTS | 0.000000000 |
| WESTBROOK RONNIE H | 2809 HAYNES | MIDLAND TX 79705 | OPERATING RIGHTS | 0.000000000 |
| WESTBROOK RONNIE H | PO BOX 3040 | MIDLAND TX 79702 | OPERATING RIGHTS | 0.000000000 |
| ZPZ DELAWARE I LLC | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564497 | LESSEE | 25.000000000 |
| ZPZ DELAWARE I LLC | 2000 POST OAK BLVD STE 100 | HOUSTON TX 770564497 | OPERATING RIGHTS | 0.000000000 |

Serial Number: NMNM-- 0 557256

| MerTwp | Rng | Sec | STyp | SNr Suff | Subdivision | District/Field Office | County | Mgmt Agency |
|--------|-------|-------|------|----------|-------------|-----------------------|--------|---------------------|
| 23 | 0220S | 0370E | 015 | ALIQ | SWNE,NESE; | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |
| 23 | 0220S | 0370E | 020 | ALIQ | SWNE,S2NW; | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |

Serial Number: NMNM-- 0 557256

| Act Date | Code | Action | Action Remark | Pending Office |
|------------|------|--------------------------|-----------------------|----------------|
| 08/30/1936 | 387 | CASE ESTABLISHED | | |
| 08/31/1936 | 496 | FUND CODE | 05;145003 | |
| 08/31/1936 | 868 | EFFECTIVE DATE | | |
| 07/04/1946 | 650 | HELD BY PROD - ACTUAL | | |
| 04/01/1957 | 534 | RLTY RATE-SLIDING-SCH D | /A/ | |
| 04/01/1957 | 868 | EFFECTIVE DATE | | |
| 10/19/1963 | 909 | BOND ACCEPTED | EFF 09/27/63;ES0085 | |
| 06/01/1965 | 209 | CASE CREATED BY SEGR | OUT OF NMLC032573B; | |
| 09/21/1965 | 102 | NOTICE SENT-PROD STATUS | | |
| 08/10/1966 | 940 | NAME CHANGE RECOGNIZED | ATL RFG/ATL RICHFIELD | |
| 03/19/1971 | 940 | NAME CHANGE RECOGNIZED | PAN AMER PETRO/AMOCO | |
| 04/06/1978 | 817 | MERGER RECOGNIZED | CHEVRON ASPHALT/USA | |
| 04/06/1978 | 817 | MERGER RECOGNIZED | CHEVRON USA/OIL | |
| 04/06/1978 | 940 | NAME CHANGE RECOGNIZED | CHEVRON OIL/USA INC | |
| 10/24/1979 | 940 | NAME CHANGE RECOGNIZED | CONTL OIL/CONOCO INC | |
| 09/18/1981 | 932 | TRF OPER RGTS FILED | | |
| 09/30/1982 | 940 | NAME CHANGE RECOGNIZED | SUN OIL/SUN EXPL&PROD | |
| 06/16/1983 | 933 | TRF OPER RGTS APPROVED | EFF 10/01/81; | |
| 01/22/1985 | 963 | CASE MICROFILMED/SCANNED | CNUM 106,190 GLC | |
| 08/05/1985 | 932 | TRF OPER RGTS FILED | | |

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

Elliott EM 20 Fed # 3, 4, 5, & 6 (Abo and Drinkard)

| | Party Name | Addresses | Certified Mail Number | Mailed Out | Received |
|--------------------|-------------------------------------|--|--------------------------|------------|----------|
| Royalty Interest | OFFICE OF NATURAL RESOURCES REVENUE | P.O. BOX 25267 DENVER, CO 80225 | 7017-1000-0000-8634-7361 | 1/5/2018 | |
| Working Interest | APACHE CORPORATION (OPERATOR) | 303 Veterans Airpark Lane, Ste. 1000, Midland, TX 79705 | Not applicable | N/A | |
| | ZPZ DELAWARE I LLC | 303 Veterans Airpark Lane, Ste. 1000, Midland, TX 79705 | Not applicable | N/A | |
| | CONOCO PHILLIPS COMPANY | P.O. Box 2197, Houston, TX 77252 | 7017-1000-0000-8634-7378 | 1/5/2018 | |
| | CHEVRON USA INC | Attn: NOJV Group | | | |
| | | P.O. Box 2100, Houston, TX 77252 | 7017-1000-0000-8634-7385 | 1/5/2018 | |
| Overriding Royalty | | | | | |
| | | | | | |
| | NONE | | | | |

*Conoco went non-consent in the #1 well

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martínez
Governor

David Martin
Cabinet Secretary

Tony Del/in
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-789
Administrative Application Reference No. pMAM1614055793

June 9, 2016

Apache Corporation
Attention: Ms. Reesa Fisher

Apache Corporation (OGRID 837) is hereby authorized to surface commingle oil and gas production from Wantz; Abo Pool (pool code 62770) from the following diversely owned leases and wells:

Lease: Federal lease NMNM 05726
Description: SW/4 NE/4 and SE/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM
Wells: Elliott EM "20" Federal Well No. 3
Elliott EM "20" Federal Well No. 4
Elliott EM "20" Federal Well No. 5
Elliott EM "20" Federal Well No. 6

Lease: Federal lease NMNM 05726
Description: SW/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM
Well: Elliott EM "20" Federal Well No. 1

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Elliott EM "20" Federal Well No. 1 central tank battery (CTB), located in Unit E, of Section 20, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

The oil and gas production from the Elliott EM "20" Federal Well No. 3, Elliott EM "20" Federal Well No. 4, Elliott EM "20" Federal Well No. 5, and Elliott EM "20" Federal Well No. 6 which have identical ownership shall be metered with a combination of metering and testing. The Elliott EM "20" Federal Well No. 1, which has diverse ownership shall be metered separately.

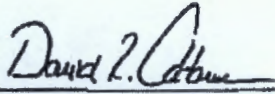
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the specified leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on June 9, 2016.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad

| Production Summary Report | | | | | |
|----------------------------|-------------------|-----------|----------|-------------|----------|
| API: 30-025-41442 | | | | | |
| ELLIOTT EM 20 FEDERAL #001 | | | | | |
| Year | Pool | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 6/1/2017 | [62700] WANTZ;ABO | 158 | 6493 | 1 | 24 |
| 7/1/2017 | [62700] WANTZ;ABO | 177 | 8351 | 20 | 31 |
| 8/1/2017 | [62700] WANTZ;ABO | 200 | 8450 | 9 | 31 |
| 9/1/2017 | [62700] WANTZ;ABO | 151 | 6974 | 41 | 30 |
| 10/1/2017 | [62700] WANTZ;ABO | 198 | 7347 | 1 | 31 |
| 11/1/2017 | [62700] WANTZ;ABO | 195 | 6688 | 1 | 29 |
| Cum | | 17334 | 309395 | | |

| Production Summary Report | | | | | |
|-------------------------------------|-------------------|-----------|----------|-------------|----------|
| API: 30-025-41443 | | | | | |
| ELLIOTT EM 20 FEDERAL #003 | | | | | |
| Printed On: Monday, January 29 2018 | | | | | |
| Year | Pool | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 6/1/2017 | [62700] WANTZ;ABO | 129 | 2093 | 1327 | 24 |
| 7/1/2017 | [62700] WANTZ;ABO | 153 | 2809 | 1423 | 31 |
| 8/1/2017 | [62700] WANTZ;ABO | 212 | 2961 | 1546 | 31 |
| 9/1/2017 | [62700] WANTZ;ABO | 146 | 2571 | 1677 | 30 |
| 10/1/2017 | [62700] WANTZ;ABO | 172 | 2924 | 1692 | 31 |
| 11/1/2017 | [62700] WANTZ;ABO | 148 | 2776 | 1618 | 29 |
| Cum | | 13607 | 122226 | | |

| Production Summary Report | | | | | |
|----------------------------|-------------------|-----------|----------|-------------|----------|
| API: 30-025-41445 | | | | | |
| ELLIOTT EM 20 FEDERAL #005 | | | | | |
| Year | Pool | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 6/1/2017 | [62700] WANTZ;ABO | 962 | 4262 | 2901 | 24 |
| 7/1/2017 | [62700] WANTZ;ABO | 980 | 6237 | 3481 | 31 |
| 8/1/2017 | [62700] WANTZ;ABO | 549 | 3520 | 3257 | 18 |
| 9/1/2017 | [62700] WANTZ;ABO | 1112 | 7553 | 6699 | 29 |
| 10/1/2017 | [62700] WANTZ;ABO | 1159 | 7977 | 7026 | 31 |
| 11/1/2017 | [62700] WANTZ;ABO | 973 | 7117 | 5830 | 29 |
| Cum | | 24956 | 304846 | | |

| Production Summary Report | | | | | |
|----------------------------|-------------------|-----------|----------|-------------|----------|
| API: 30-025-41446 | | | | | |
| ELLIOTT EM 20 FEDERAL #006 | | | | | |
| Year | Pool | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 6/1/2017 | [62700] WANTZ;ABO | 92 | 1983 | 79 | 25 |
| 7/1/2017 | [62700] WANTZ;ABO | 127 | 2960 | 52 | 31 |
| 8/1/2017 | [62700] WANTZ;ABO | 221 | 3371 | 9 | 31 |
| 9/1/2017 | [62700] WANTZ;ABO | 173 | 3367 | 3 | 30 |
| 10/1/2017 | [62700] WANTZ;ABO | 170 | 4143 | 15 | 31 |
| 11/1/2017 | [62700] WANTZ;ABO | 124 | 3693 | 7 | 29 |
| Cum | | 16155 | 266668 | | |

| Production Summary Report | | | | | |
|----------------------------|------------------|-----------|----------|-------------|----------|
| API: 30-025-41444 | | | | | |
| ELLIOTT EM 20 FEDERAL #004 | | | | | |
| Year | Pool | Oil(BBLS) | Gas(MCF) | Water(BBLS) | Days P/I |
| 6/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| 7/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| 8/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| 9/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| 10/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| 11/1/2017 | [19190] Drinkard | 0 | 0 | 0 | 0 |
| Cum | | 0 | 0 | | |

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-789
Administrative Application Reference No. pMAM1614055793

June 9, 2016

Apache Corporation
Attention: Ms. Reesa Fisher

Apache Corporation (OGRID 837) is hereby authorized to surface commingle oil and gas production from Wantz; Abo Pool (pool code 62770) from the following diversely owned leases and wells:

Lease: Federal lease NMNM 05726
Description: SW/4 NE/4 and SE/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM
Wells: Elliott EM "20" Federal Well No. 3
Elliott EM "20" Federal Well No. 4
Elliott EM "20" Federal Well No. 5
Elliott EM "20" Federal Well No. 6

Lease: Federal lease NMNM 05726
Description: SW/4 NW/4 of Section 20, Township 22 South, Range 37 East, NMPM
Well: Elliott EM "20" Federal Well No. 1

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Elliott EM "20" Federal Well No. 1 central tank battery (CTB), located in Unit E, of Section 20, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

The oil and gas production from the Elliott EM "20" Federal Well No. 3, Elliott EM "20" Federal Well No. 4, Elliott EM "20" Federal Well No. 5, and Elliott EM "20" Federal Well No. 6 which have identical ownership shall be metered with a combination of metering and testing. The Elliott EM "20" Federal Well No. 1, which has diverse ownership shall be metered separately.

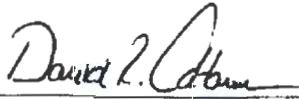
The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the specified leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on June 9, 2016.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad