

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - 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

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

20 day clock starts 10/26/2016

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

*- PLC 457
 - Apache corp
 873*

*well
 - Red Lake 3F add 2
 30-015-29802
 + 6 wells
 Pool
 - Red Lake, G. Union
 YES NO
 56836
 - Red Lake, G. Union
 Grayburn-SA
 5130*

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

Isabel Hudson _____ REG ANALYST _____ 8/29/2016
 Print or Type Name Signature Title Date

RED LAKE BATTERY

Isabel.Hudson@apachecorp.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Apache Corporation
OPERATOR ADDRESS: 303 Veterans Airpark Lane Midland TX 79705
APPLICATION TYPE: RED LAKE BATTERY

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Red Lake; Glorieta-Yeso Northeast (96836)	37			See
Red Lake; Queen-Grayburg-San Andres (51300)	36			Well
				Tests
				Attached

- (2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Isabel Hudson TITLE: Regulatory Analyst DATE: 8/29/2016

TYPE or PRINT NAME: ISABEL HUDSON TELEPHONE NO.: 432-818-1142 E-MAIL ADDRESS: Isabel.Hudson@apachecorp.com

<u>Surface Commingle List of Wells</u>	<u>API</u>		<u>Surface Location</u>		
Lago Rosa 4 Federal #4	30-015-30150 ✓		L-04-18S-27E	2210 FSL	330 FWL
Red Lake 3 Federal #2	30-015-29802 ✓		E-03-18S-27E	2005 FNL	990 FWL
Vermillion 3 Federal #3	30-015-30151 ✓		F-03-18S-27E	1650 FNL	1750 FWL
Vermillion 3 Federal #4	30-015-30135 ✓		F-03-18S-27E	2310 FNL	2110 FWL
West Red Lake 4 Federal #1	30-015-29990 ✓		D-04-18S-27E	990 FNL	990 FWL
West Red Lake 4 Federal #2	30-015-30186 ✓		C-04-18S-27E	330 FNL	1650 FWL
West Red Lake 4 Federal #3	30-015-30134 ✓		C-04-18S-27E	990 FNL	2310 FWL



Well Tests

8/25/2016 4:02:20 PM

Report Period: **May 25, 2015 to August 25, 2016**

Test	Chk	Tubing PSIG	Casing PSIG	Shut-In PSIG	BH	Pump	Clock	Valid	24 Hour Volumes					Fluids		Pump			Rat															
Date	Hrs	In.	SPM	High	Low	High	Low	Tubing	Casing	PSIG	PIP	Freq. Hz	%	Test	Ttl Liq.	Oil	Ttl Gas	Frm Gas	Water	Lift	Level	Pump	Stroke	GOR	WOR	GLR								
Region: PERMIAN		District: NW DISTRICT				Superintendent: NW DISTRICT (CARNES)										Foreman: ARTESIA [BERDOZA]																		
LAGO ROSA 4 FED #4 (QN-GB-SA)		Status: Producing																																
05/28/15	24													True	23.00	3.00	10.00	10.00	20.00						3.33	6.67	0.43							
06/24/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
07/29/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
08/29/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
09/23/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
10/27/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
11/26/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
12/30/15	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
01/26/16	24													True	22.00	2.00	10.00	10.00	20.00						5.00	10.00	0.45							
02/25/16	24													True	13.00	3.00	14.00	14.00	10.00						4.67	3.33	1.08							
03/19/16	24													True	6.00	3.00	10.00	10.00	3.00						3.33	1.00	1.67							
04/01/16	24		9.2	150	100	25								True	3.00	2.00	12.00	12.00	1.00						6.00	0.50	4.00							
05/12/16	24		9.2	150	100	25								True	17.00	2.00	10.00	10.00	15.00						5.00	7.50	0.59							
06/14/16	24		9.2	150	100	25								True	27.00	6.00	11.00	11.00	21.00						1.83	3.50	0.41							
07/10/16	24													True	60.00	10.00	21.00	21.00	50.00						2.10	5.00	0.35							
Averages by Completion:															21.67	3.00	11.20	11.20	18.67															



Well Tests

8/25/2016 4:00:34 PM

Report Period: **May 25, 2015 to August 25, 2016**

Test Date	Chk Hrs	In.	Tubing PSIG		Casing PSIG		Shut-In PSIG		BH PSIG	PIP	Pump Freq. Hz	Clock %	Valid Test	24 Hour Volumes					Fluids		Pump		Rat GLR						
			High	Low	High	Low	Tubing	Casing						Ttl Liq.	Oil	Ttl Gas	Frm Gas	Water	Lift	Level	Pump	Stroke		GOR	WOR				
Region: PERMIAN			District: NW DISTRICT						Superintendent: NW DISTRICT (CARNES)					Foreman: ARTESIA [BERDOZA]															
RED LAKE 3 FED #2 (GLR-YSO)			Status: Producing																										
05/28/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
06/24/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
07/29/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
08/29/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
09/23/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
10/27/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
11/26/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
12/30/15	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
01/26/16	24												True	6.00	1.00	10.00	10.00	5.00									10.00	5.00	1.67
02/17/16	24												True	5.00	1.00	9.00	9.00	4.00									9.00	4.00	1.80
03/20/16	24												True	4.00	1.00	13.00	13.00	3.00									13.00	3.00	3.25
04/02/16	24		10.3	140	100	10							True	3.00	0.00	12.00	12.00	3.00									0.00		4.00
05/14/16	24		10.3	140	50	10							True	10.00	2.00	8.00	8.00	8.00									4.00	4.00	0.80
06/03/16	24		10.3	140	90	12							True	6.00	1.00	9.00	9.00	5.00									9.00	5.00	1.50
07/23/16	24		10.3	140	100	5							True	3.00	1.00	7.00	7.00	2.00									7.00	2.00	2.33
08/23/16	24		10.3	140	50	5							True	4.00	1.00	6.00	6.00	3.00									6.00	3.00	1.50
Averages by Completion:														5.56	1.00	9.63	9.63	4.56											
VERMILLION 3 FED #3 (QN-GB-SA)			Status: Producing																										
05/28/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
06/24/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
07/29/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
08/29/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
09/23/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
10/27/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
11/26/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
12/30/15	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
01/26/16	24												True	1.00	0.00	10.00	10.00	1.00									0.00		10.00
02/21/16	24												True	14.00	1.00	11.00	11.00	13.00									11.00	13.00	0.79
03/23/16	24												True	9.00	1.00	8.00	8.00	8.00									8.00	8.00	0.89



Well Tests

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Report Period: **May 25, 2015 to August 25, 2016**

Test Date	Chk Hrs	In.	Tubing PSIG		Casing PSIG		Shut-In PSIG		BH PSIG	PIP	Pump Freq. Hz	Clock %	Valid Test	24 Hour Volumes					Fluids		Pump			Rat					
			High	Low	High	Low	Tubing	Casing						Ttl Liq.	Oil	Ttl Gas	Frm Gas	Water	Lift	Level	Pump	Stroke	GOR		WOR	GLR			
Region: PERMIAN			District: NW DISTRICT							Superintendent: NW DISTRICT (CARNES)					Foreman: ARTESIA [BERDOZA]														
VERMILLION 3 FED #3 (QN-GB-SA)			Status: Producing																										
04/20/16	24		8.0	100	50	5							True	2.00	0.00	10.00	10.00	2.00								0.00		5.00	
05/29/16	24		8.2	100	50	5							True	0.00	0.00	2.00	2.00	0.00									0.00		0.00
05/30/16	24			100	50	5							True	0.00	0.00	3.00	3.00	0.00									0.00		0.00
06/09/16	24		8.0	100	50	5							True	0.00	0.00	4.00	4.00	0.00									0.00		0.00
07/27/16	24		8.0	100	50	5							True	0.00	0.00	3.00	3.00	0.00									0.00		0.00
Averages by Completion:														2.13	0.13	8.19	8.19	2.00											
VERMILLION 3 FED #4 (QN-GB-SA)			Status: Producing																										
05/28/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
06/24/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
07/29/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
08/29/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
09/23/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
10/27/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
11/26/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
12/30/15	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
01/26/16	24												True	2.00	1.00	5.00	5.00	1.00									5.00	1.00	2.50
02/22/16	24												True	6.00	1.00	6.00	6.00	5.00									6.00	5.00	1.00
03/30/16	24												True	3.00	0.00	4.00	4.00	3.00									0.00		1.33
04/22/16	24		8.2	100	50	5							True	1.00	0.00	3.00	3.00	1.00									0.00		3.00
06/08/16	24		8.2	100	50	5							True	0.00	0.00	3.00	3.00	0.00									0.00		0.00
07/27/16	24		8.2	100	50	5							True	0.00	0.00	3.00	3.00	0.00									0.00		0.00
Averages by Completion:														2.00	0.71	4.57	4.57	1.29											
W RED LAKE 4 #3 (QN-GB-SA)			Status: Producing																										
05/28/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45
06/24/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45
07/29/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45
08/29/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45
09/23/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45
10/27/15	24												True	11.00	1.00	5.00	5.00	10.00									5.00	10.00	0.45



Well Tests

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Report Period: **May 25, 2015 to August 25, 2016**

Test Date	Chk Hrs	In.	Tubing PSIG		Casing PSIG		Shut-In PSIG		BH PSIG	PIP	Pump Freq. Hz	Clock %	Valid Test	24 Hour Volumes					Fluids		Pump		GOR	WOR	GLR				
			High	Low	High	Low	Tubing	Casing						Ttl Liq.	Oil	Ttl Gas	Frm Gas	Water	Lift	Level	Pump	Stroke							
Region: PERMIAN			District: NW DISTRICT						Superintendent: NW DISTRICT (CARNES)					Foreman: ARTESIA [BERDOZA]															
W RED LAKE 4 #3 (QN-GB-SA)			Status: Producing																										
11/26/15	24												True	11.00	1.00	5.00	5.00	10.00								5.00	10.00	0.45	
12/30/15	24												True	11.00	1.00	5.00	5.00	10.00								5.00	10.00	0.45	
01/26/16	24												True	11.00	1.00	5.00	5.00	10.00								5.00	10.00	0.45	
02/20/16	24												True	11.00	1.00	8.00	8.00	10.00								8.00	10.00	0.73	
03/23/16	24												True	9.00	0.00	11.00	11.00	9.00								0.00		1.22	
04/27/16	24		9.6	100	50	5							True	5.00	0.00	8.00	8.00	5.00								0.00		1.60	
05/30/16	24		9.6	100	50	10							True	2.00	0.00	5.00	5.00	2.00								0.00		2.50	
06/08/16	24		9.6	100	50	5							True	2.00	0.00	7.00	7.00	2.00								0.00		3.50	
07/26/16	24		9.6	100	40	5							True	3.00	0.00	5.00	5.00	3.00								0.00		1.67	
Averages by Completion:														8.73	0.67	5.93	5.93	8.07											
W RED LAKE 4 FED #1 (QN-GB-SA)			Status: Producing																										
05/28/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
06/24/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
07/29/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
08/29/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
09/23/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
10/27/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
11/26/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
12/30/15	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
01/26/16	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
02/28/16	24												True	6.00	1.00	10.00	10.00	5.00								10.00	5.00	1.67	
03/21/16	24												True	0.00	0.00	5.00	5.00	0.00								0.00		0.00	
04/20/16	24		8.7	100	50	15							True	14.00	2.00	15.00	15.00	12.00								7.50	6.00	1.07	
05/20/16	24		8.7	100	50	15							True	11.00	1.00	11.00	11.00	10.00								11.00	10.00	1.00	
06/05/16	24		8.7	100	50	15							True	7.00	1.00	9.00	9.00	6.00								9.00	6.00	1.29	
07/24/16	24		8.7	100	50	10							True	10.00	1.00	6.00	6.00	9.00								6.00	9.00	0.60	
Averages by Completion:														6.80	1.00	9.73	9.73	5.80											



Well Tests

8/25/2016 4:00:34 PM

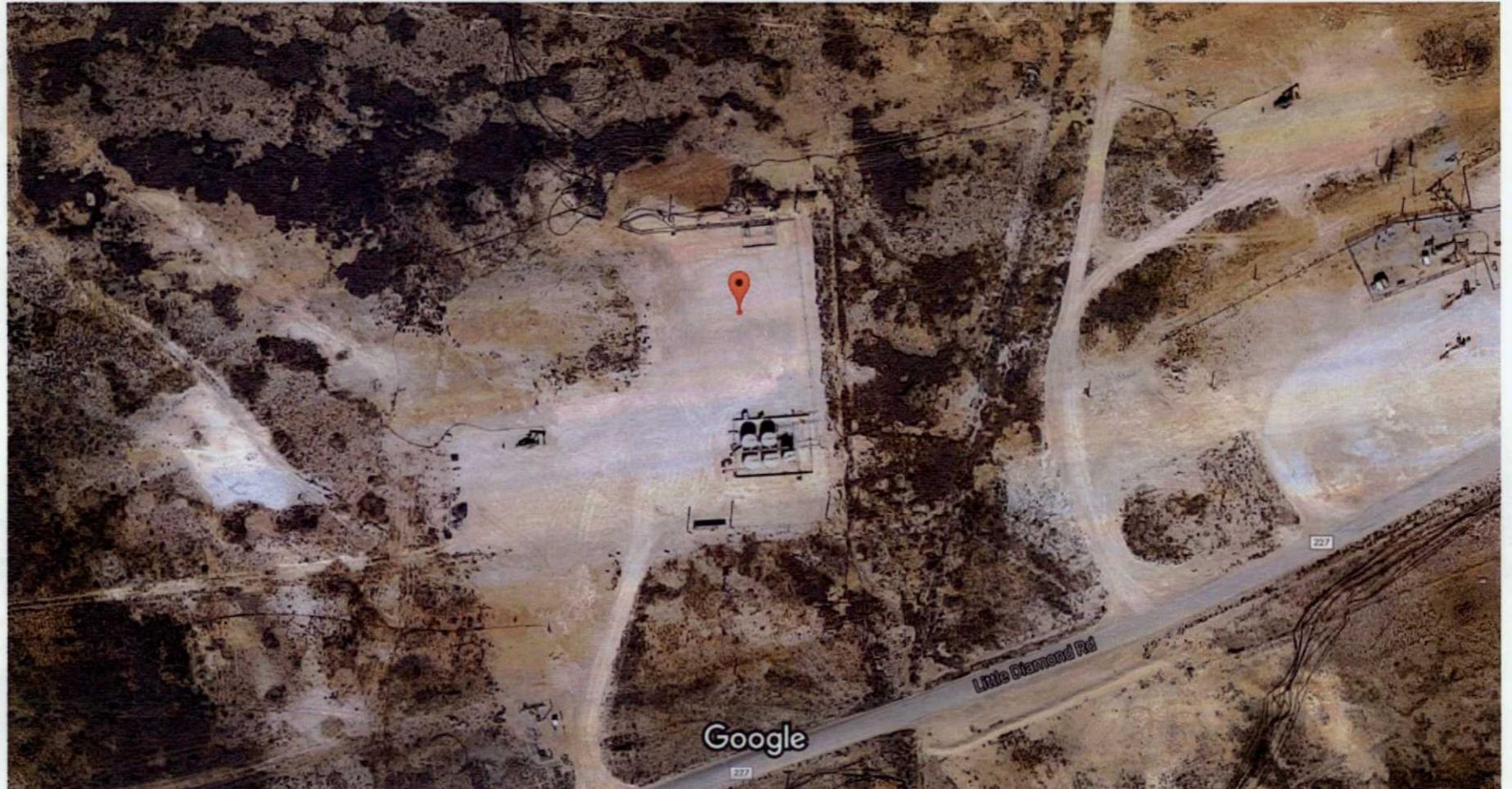
Report Period: **May 25, 2015 to August 25, 2016**

Test	Chk	Tubing PSIG	Casing PSIG	Shut-in PSIG	BH	Pump	Clock	Valid	24 Hour Volumes					Fluids		Pump		Rat										
Date	Hrs	In.	SPM	High	Low	High	Low	Tubing Casing PSIG	PIP	Freq. Hz	%	Test	Ttl Liq.	Oil	Ttl Gas	Frm Gas	Water	Lift	Level	Pump	Stroke	GOR	WOR	GLR				
Region: PERMIAN		District: NW DISTRICT				Superintendent: NW DISTRICT (CARNES)							Foreman: ARTESIA [BERDOZA]															
W RED LAKE 4 FED #2 (QN-GB-SA)		Status: Producing																										
05/28/15	24											True	11.00	1.00	7.00	7.00	10.00						7.00	10.00	0.64			
06/24/15	24											True	11.00	1.00	7.00	7.00	10.00						7.00	10.00	0.64			
07/29/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
08/29/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
09/23/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
10/27/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
11/26/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
12/30/15	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
01/26/16	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
02/28/16	24											True	11.00	1.00	5.00	5.00	10.00						5.00	10.00	0.45			
03/22/16	24											True	0.00	0.00	10.00	10.00	0.00						0.00		0.00			
04/26/16	24		10.4	100	50	15						True	17.00	3.00	13.00	13.00	14.00						4.33	4.67	0.76			
05/29/16	24		10.4	100	50	15						True	11.00	0.00	16.00	16.00	11.00						0.00		1.45			
06/06/16	24		10.4	100	50	8						True	9.00	0.00	11.00	11.00	9.00						0.00		1.22			
07/25/16	24		10.4	100	50	15						True	4.00	0.00	9.00	9.00	4.00						0.00		2.25			
Averages by Completion:													10.07	0.87	7.53	7.53	9.20											

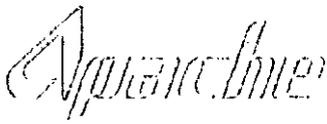
Google Maps

32°46'41.8"N 104°16'16.0"W

Red Lake 3 Federal Battery



Imagery ©2016 Google, Map data ©2016 Google 100 ft



Sample
Letter to
Interest
Owners

August 29, 2016

Sent via certified mail

WORKING AND REVENUE INTEREST OWNERS

(See attached list.)

**RE: Notice of Intent to Surface Commingle Production from:
Lago Rosa 4 Federal #4, Red Lake 3 Federal #2, Vermillion 3 Federal #3 and 4, and
West Red Lake 4 Federal #1, 2, and 3
Sections 3 and 4, Township 18 South, Range 27 East
Eddy County, New Mexico**

Dear Interest Owners,

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

- Lago Rosa 4 Federal #4: API 30-015-30150, a vertical well located at 2,210' FSL and 330' FWL, UL L, Section 4, T-18-S, R-27-E, producing from the Red Lake Queen-Grayburg-San Andres pool.
- Red Lake 3 Federal #2: API 30-015-29802, a vertical well located at 2,005' FNL and 990' FWL, UL E, Section 3, T-18-S, R-27-E, producing from the Red Lake Queen-Grayburg-San Andres and Glorieta-Yeso pools.
- Vermillion 3 Federal #3: API 30-015-30151, a vertical well located at 1,650' FNL and 1,750' FWL, UL F, Section 3, T-18-S, R-27-E, producing from the Red Lake Queen-Grayburg-San Andres pool.
- Vermillion 3 Federal #4: API 30-015-30135, a vertical well located at 2,310' FNL and 2,110' FWL, UL F, Section 3, T-18-S, R-27-E, producing from the Red Lake Queen-Grayburg-San Andres pool.
- West Red Lake 4 Federal #1: API 30-015-29990, a vertical well located at 990' FNL and 990' FWL, UL D, Section 4, T-18-S, R-17-E, producing from the Red Lake Queen-Grayburg-San Andres pool.
- West Red Lake 4 Federal #2: API 30-015-30186, a vertical well located at 330' FNL and 1,650' FWL, UL C, Section 4, T-18-S, R-17-E, producing from the Red Lake Queen-Grayburg-San Andres pool.
- West Red Lake 4 Federal #3: API 30-015-30134, a vertical well located at 990' FNL and 2,310' FWL, UL C, Section 4, T-18-S, R-17-E, producing from the Red Lake Queen-Grayburg-San Andres pool.

Please be aware that the interest ownership differs slightly between the Lago Rosa 4 Federal, Red Lake 3 Federal, Vermillion 3 Federal, and West Red Lake 4 Federal wells. In order to

commingle production at the surface, production from each of the wells must be metered separately, at the wellhead, to account for the difference in ownership.

Enclosed for your review is a copy of Apache's application requesting approval from the Bureau of Land Management and the New Mexico Oil Conservation Division 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 Lawrence
Landman
Laci.Lawrence@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 Bureau of Land Management and the New Mexico Oil Conservation Division.

Signature

Printed Name

Title

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.
NMNM29280

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
LAGO ROSA 4 FEDERAL 004

2. Name of Operator
APACHE CORP

Contact: ISABEL HUDSON
E-Mail: Isabel.Hudson@apachecorp.com

9. API Well No.
30-015-30150

3a. Address
303 VETERANS AIRPARK LANE SUITE 1000
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432-818-1142

10. Field and Pool, or Exploratory
REDLAKE;QUEEN-GRYBRG-SA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 4 T18S R27E 2210FSL 330FWL

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK 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"/> Fracture Treat	<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 Surface Commingling
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplete 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Apache would like to Surface Commingle all production from the following wells:

- Lago Rosa 4 Federal #4 30-015-30150 L-04-18S-27E 2210 FSL 330 FWL
- Red Lake 3 Federal #2 30-015-29802 E-03-18S-27E 2005 FNL 990 FWL
- Vermillion 3 Federal #3 30-015-30151 F-03-18S-27E 1650 FNL 1750 FWL
- Vermillion 3 Federal #4 30-015-30135 F-03-18S-27E 2310 FNL 2110 FWL
- West Red Lake 4 Federal #1 30-015-29990 D-04-18S-27E 990 FNL 990 FWL
- West Red Lake 4 Federal #2 30-015-30186 C-04-18S-27E 330 FNL 1650 FWL
- West Red Lake 4 Federal #3 30-015-30134 C-04-18S-27E 990 FNL 2310 FWL

7 wells

This battery is located in SW/NW of Sec. 4, T18S, R27E. Please see attached schematics and plats,

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

**Electronic Submission #349680 verified by the BLM Well Information System
For APACHE CORP, sent to the Carlsbad**

Name (Printed/Typed) ISABEL HUDSON Title REGULATORY ANALYST

Signature (Electronic Submission) Date 08/31/2016

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.

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

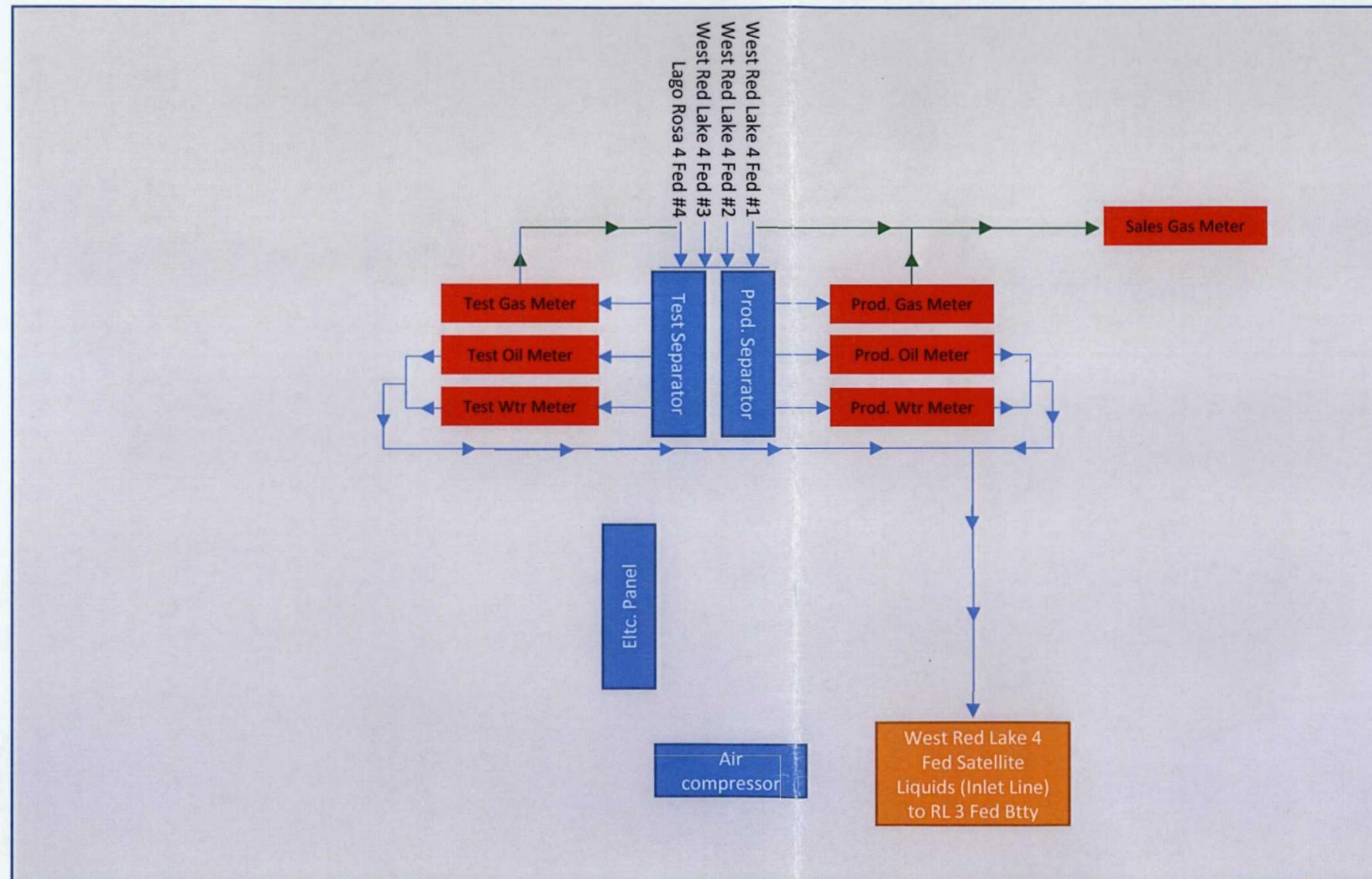
Additional data for EC transaction #349680 that would not fit on the form

32. Additional remarks, continued

along with other supporting data being submitted for BLM & OCD approval, concurrently. 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 each well or formation produced and, as a result will extend the economic life of the wells and leases.

West Red Lake #4 Federal Satellite

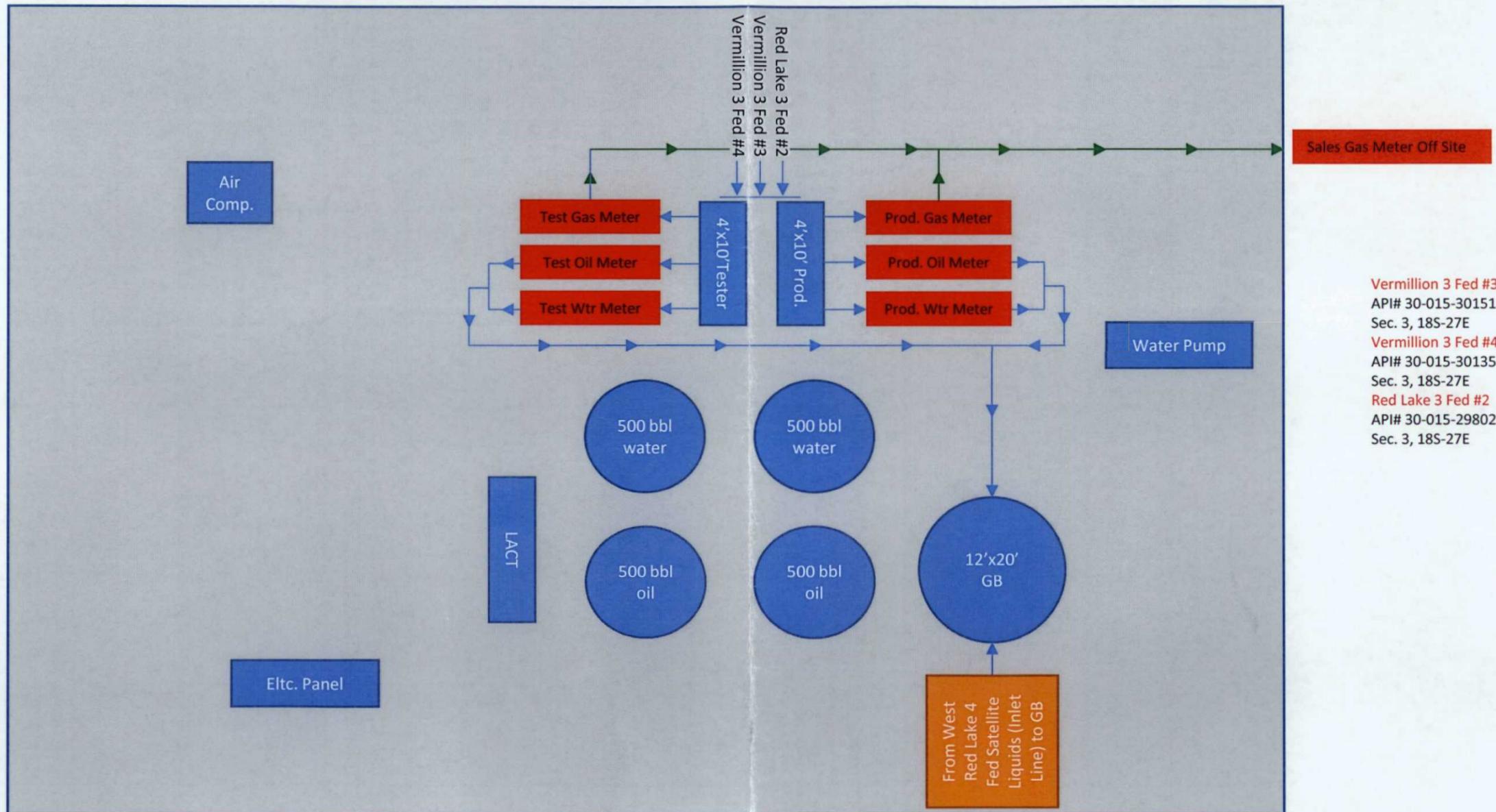
Lat. 32.77827 Long. -104.27112



- West Red Lake 4 Fed #1
API# 30-015-29990
Sec. 3, 18S-27E
- West Red Lake 4 Fed #2
API# 30-015-30186
Sec. 3, 18S-27E
- West Red Lake 4 Fed #3
API# 30-015-30134
Sec. 3, 18S-27E
- Lago Rosa 4 Fed #4
API# 30-015-30151
Sec. 3, 18S-27E

Red Lake 3 Federal Battery

Lat. 32.77827, Long -104.27112



Vermillion 3 Fed #3
 API# 30-015-30151
 Sec. 3, 18S-27E
 Vermillion 3 Fed #4
 API# 30-015-30135
 Sec. 3, 18S-27E
 Red Lake 3 Fed #2
 API# 30-015-29802
 Sec. 3, 18S-27E

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 110, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Ed., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29802	Pool Code 51300	Pool Name Red Lake #1-6-SA
Property Code	Property Name RED LAKE "3" FEDERAL	Well Number 2
OGRID No.	Operator Name ARCO PERMIAN	Elevation 3567

Surface Location

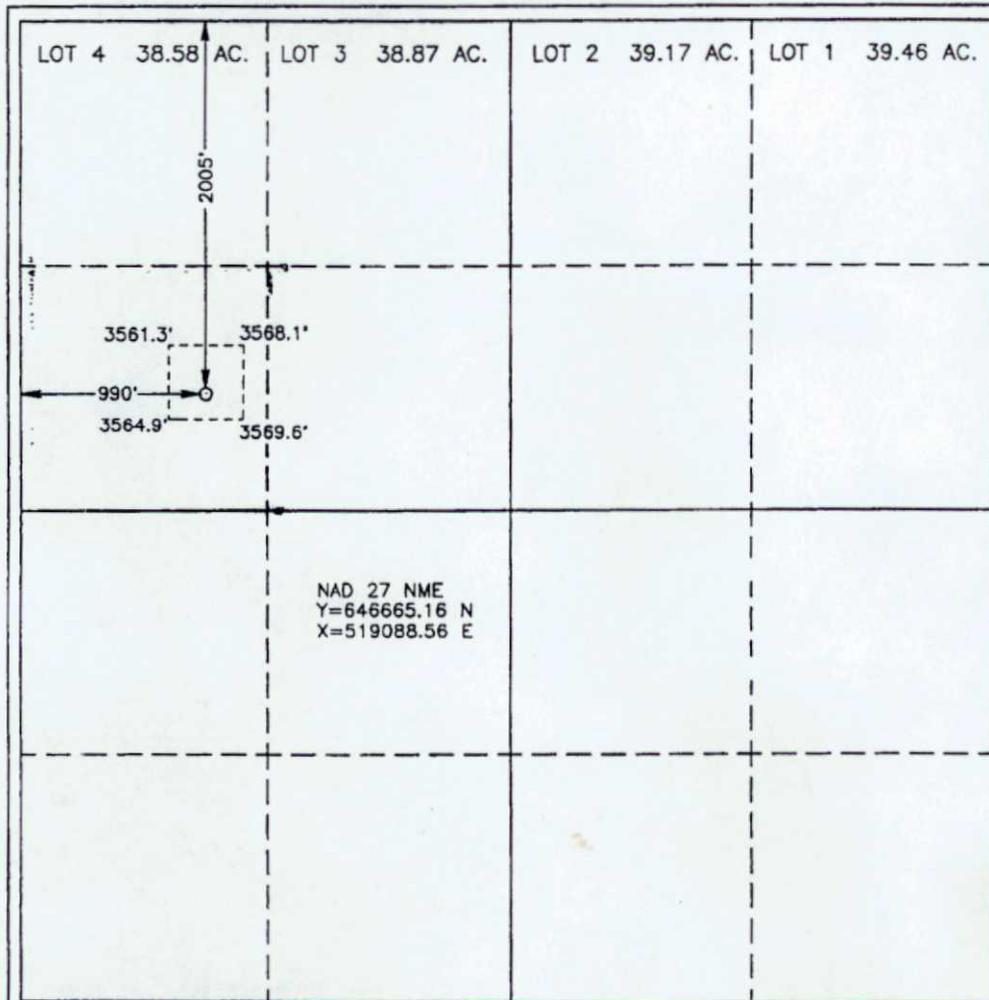
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	18 S	27 E		2005	NORTH	990	WEST	EDDY

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Elizabeth A. Casbeer
Signature
ELIZABETH A. CASBEER
Printed Name
REG. COMP. ANALYST
Title
7-10-97
Date

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.

JUNE 24, 1997
Date Surveyed
J. EIDSON JLP
Signature & Seal of Professional Surveyor
Ronald G. Eidson
W.Q. Num. 97-118 F059
Certificate No. **JON W. WEST, 676**
RONALD J. EIDSON, 3239
GARY G. EIDSON, 12641

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 110, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29802	Pool Code 961396210	Pool Name UNDESIGNATED EMPIRE (YESO)
Property Code	Property Name RED LAKE "3" FEDERAL	Well Number 2
OGRID No. 000990	Operator Name ARCO PERMIAN	Elevation 3567

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	3	18 S	27 E		2005	NORTH	990	WEST	EDDY

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>LOT 4 38.58 AC. LOT 3 38.87 AC. LOT 2 39.17 AC. LOT 1 39.46 AC.</p> <p>NAD 27 NME Y=61965.16 N X=519088.56 E</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.</p> <p><i>Elizabeth A. Casbeer</i> Signature ELIZABETH A. CASBEER Printed Name REG. COMP. ANALYST Title 2/9/98 Date</p> <hr/> <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>JUNE 24, 1997 Date Surveyed</p> <p><i>John W. West</i> Signature & Seal of Professional Surveyor Professional Surveyor W.D. Num. 97-11-4059</p> <p>Certification No. JOHN W. WEST, 878 EDSON, 3239 GARY G. EIDSON, 12641</p>
--	---

DISTRICT I
P.O. Box 1800, Hobbs, NM 88241-1900

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department.

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OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30135	Pool Code 51300	Pool Name RED LAKE (Q-GB-SA)
Property Code	Property Name VERMILLION "3" FEDERAL	Well Number 4
OGHD No. CNC990	Operator Name ARCO PERMIAN	Elevation 3574

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	3	18 S	27 E		2310	NORTH	2110	WEST	EDDY

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

LOT 4 38.58 AC.	LOT 3 38.87 AC.	LOT 2 39.17 AC.	LOT 1 39.46 AC.
-----------------	-----------------	-----------------	-----------------

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Elizabeth A. Casbeer
Signature
ELIZABETH A. CASBEER
Printed Name
REG. I.C.C.M.P. ANALYST
Title
2/3/98
Date

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.

NOVEMBER 14, 1997
Date Surveyed JLP

Ronald E. Edson
Signature & Seal of Professional Surveyor
RONALD E. EDSON
W.O. Num. 97-11890

Certificate No. JOHN W. WEST, 576
RONALD E. EDSON, 3239
GARY C. EIDSON, 12841

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

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OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30151	Pool Code	Pool Name RED LAKE (Q-GB-SA)
Property Code	Property Name VERMILLION "3" FEDERAL	Well Number 3
OGRID No. 00099C	Operator Name ARCO PERMIAN	Elevation 3575

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	3	18 S	27 E		1650	NORTH	1750	WEST	EDDY

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	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

LOT 4 38.58 AC	LOT 3 38.87 AC	LOT 2 39.17 AC	LOT 1 39.46 AC	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Elizabeth F. Casbeer</i> Signature ELIZABETH F. CASBEER Printed Name REG./COMP. ANALYST Title 2-3-98 Date</p>
<p>NAD27 SPC NME X=519844=E Y=647022=N</p>				

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Blanco Rd., Artesia, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

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Energy, Minerals and Natural Resources Department

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OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30150	Pool Code 51300 96836	Pool Name RED LAKE (Q-GB-SA)
Property Code 23056	Property Name LAGO ROSA "4" FEDERAL	Well Number 4
OGRID No. 000990	Operator Name ARCO PERMIAN	Elevation 3532

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
16	4	18 S	27 E		2210	SOUTH	330	WEST	EDDY

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

LOT 8 39.92 AC.	LOT 7 39.37 AC.	LOT 6 37.70 AC.	LOT 5 37.73 AC.	<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.</p> <p><i>Laurie Cherry</i> Signature LAURIE CHERRY Printed Name REG. COMP. ASST. Title 8/3/98 Date</p>
LOT 9 38.93 AC.	LOT 10 38.43 AC.	LOT 11 37.23 AC.	LOT 12 37.28 AC.	
				<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>NOVEMBER 14, 1997</p> <p>Date Surveyed Signature & Seal of Professional Surveyor Professional Surveyor RONALD EIDSON W.O. Num. 87-1151892</p>
LOT 16 38.85 AC.	LOT 15 38.64 AC.	LOT 14 37.82 AC.	LOT 13 37.61 AC.	
LOT 17 38.64 AC.	LOT 18 38.43 AC.	LOT 19 38.01 AC.	LOT 20 37.80 AC.	<p>Certified by: JOHN W. WEST, 676 RONALD EIDSON, 3239 CAROL G. EIDSON, 12641</p>

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0710

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29990	Pool Code 51300	Pool Name RED LAKE (Q-GB-SA)
Property Code 22950	Property Name WEST RED LAKE "4" FEDERAL	Well Number 1
OGRID No. 00990	Operator Name ARCO PERMIAN	Elevation 3579

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
8	4	18 S	27 E		660	NORTH	660	WEST	EDDY

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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Laurie Cherry</i> Signature</p> <p>Laurie Cherry Printed Name</p> <p>REG. COMP. ASST. Title</p> <p>8/3/94 Date</p>			
LOT 8 39.92 AC.	LOT 7 39.37 AC.	LOT 6 37.70 AC.	LOT 5 37.73 AC.	<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>OCTOBER 10, 1997</p> <p>Date Surveyed JLP</p> <p><i>Ronald W. Eidsen</i> Signature and Seal of Professional Surveyor</p> <p>RONALD W. EIDSON W.D. Num. 87-151659</p> <p>Certificate No. JOHN W. WEST, 676 RONALD W. EIDSON, 3239 GARY C. EIDSON, 12641</p>			
LOT 9 38.93 AC.	LOT 10 38.43 AC.	LOT 11 37.23 AC.	LOT 12 37.28 AC.				
LOT 16 38.85 AC.	LOT 15 38.64 AC.	LOT 14 37.82 AC.	LOT 13 37.61 AC.				
LOT 17 38.64 AC.	LOT 18 38.43 AC.	LOT 19 38.01 AC.	LOT 20 37.80 AC.				

DISTRICT I
P.O. Box 1080, Hobbs, NM 88241-1080

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0710

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30186	Pool Code 5130⁰	Pool Name RED LAKE (Q-GB-SA)
Property Code 22950	Property Name WEST RED LAKE "4" FEDERAL	Well Number 2
OGRID No. 000990	Operator Name ARCO PERMIAN	Elevation 3548

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	4	18 S	27 E		330	NORTH	1650	WEST	EDDY

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	Joint or Infill	Consolidation Code	Order No.
40			

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>NAD27 SPC NME X=514462=E Y=648386=N</p>				<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Laurie Cherry</i> Signature LAURIE CHERRY Printed Name REG. / COMP. ASST. Title 4/2/98 Date</p>			
LOT 8 39.92 AC.	LOT 7 39.37 AC.	LOT 6 37.70 AC.	LOT 5 37.73 AC.	LOT 9 38.93 AC.	LOT 10 38.43 AC.	LOT 11 37.23 AC.	LOT 12 37.28 AC.	<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>OCTOBER 30, 1997</p> <p>Date Surveyed Signature & Seal Professional Surveyor <i>Harold E. Eidson</i> NEW MEXICO W.O. Num. 97-15-1760 11-06-97</p>			
LOT 16 38.85 AC.	LOT 15 38.64 AC.	LOT 14 37.82 AC.	LOT 13 37.61 AC.	LOT 17 38.64 AC.	LOT 18 38.43 AC.	LOT 19 38.01 AC.	LOT 20 37.80 AC.	<p>Certificate No. JOHN W. WEST, 676 RONALD E. EIDSON, 3239 DARRYL C. EIDSON, 12641</p>			

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30134	Pool Code	Pool Name RED LAKE (Q-GB-SA)
Property Code	Property Name WEST RED LAKE "4" FEDERAL	Well Number 3
OGRID No.	Operator Name ARCO PERMIAN	Elevation 3540

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	4	18 S	27 E		990	NORTH	2310	WEST	EDDY

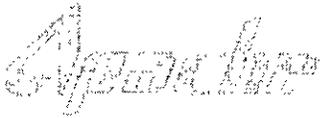
Bottom Hole Location If Different From Surface

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

Dedicated Acres	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

LOT 8 39.92 AC.	LOT 7 39.37 AC.	LOT 6 37.70 AC.	LOT 5 37.73 AC.	<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.</p> <p><i>Elizabeth A. Casebeer</i> Signature ELIZABETH A. CASEBEER Printed Name REG. / COMP. ANALYST Title 2/3/98 Date</p>
<p>NAD27 SPC NME X=515129=E Y=647705=N</p>				
LOT 9 38.93 AC.	LOT 10 38.43 AC.	LOT 11 37.23 AC.	LOT 12 37.28 AC.	
LOT 16 38.85 AC.	LOT 15 38.64 AC.	LOT 14 37.82 AC.	LOT 13 37.61 AC.	
LOT 17 38.64 AC.	LOT 18 38.43 AC.	LOT 19 38.01 AC.	LOT 20 37.80 AC.	



September 16, 2016

Mr. Zota Stevens,
Bureau of Land Management
620 E Greene St.
Carlsbad, NM 88220

Dear Mr. Stevens:

This letter is in reference to the Red Lake 3 surface commingle application for the metering of Oil, Gas and Water being processed in the facilities.

The West Red Lake # 4 Federal Satellite located (Lat. 32.465056, Long. -104.171859) process the flow streams from the following wells, all located in Sec 4, 18S-27E:

- Least NMLC065478A, West Red Lake 4 Federal
 - Wells No. 1 (API 30-015-29990),
 - No. 2 (API 30-015-30186),
 - No. 3 (API # 30-015-30134)
- Lease NMNM29280, Lago Rosa 4 Federal
 - Well No. 4 (API 30-015-30150)

The flow stream comes into a header and is processed by two separators. One is the production separator and the other a test separator. Each vessel has an independent set of oil (2.00" Turbine meter), water (2.00" Turbine meter) and gas (2.067" Total Flow, Orifice 0.875") meters. The liquids are transferred to the Red Lake 3 Battery gun barrel and the gas is sold to Frontier ID # 631057 located at lat. 32.464597, long. -104.163046.

The test separator is used to perform a test on each well coming into the satellite. The wells are tested at a rate of 1 per day. The well which is in test production will flow into the 3 phase separator and each phase is metered independently. The gas is sent to Frontier's meter # 631057 and the fluids are combined with the fluids coming from the other wells that are not in test and sent to the gun barrel located in the Red Lake 3 Battery.

Oil production will be allocated daily using the turbine meters located in each vessel and using the subtraction method.

Gas production will be allocated daily using the subtraction method (volumes being metered from the test separator and the sales meter).

The Red Lake 3 Battery located at lat. 32.465056, long. -104.171859, processes the flow streams from the following wells, located in Sec 3, 18S-27E:

- Lease NMLC055465B, Vermillion 3 Federal
 - Well No. 3 (API 30-015-30151),
 - Well No. 4 (API 30-015-30135)
- Lease NMLC028805B, Red Lake 3 Federal
 - Well No. 2 (API 30-015-29802)

The flow stream comes into a header and is processed by two separators. One is the production separator and the other a test separator. Each vessel has an independent set of oil (2.00" Turbine meter), water (2.00" Turbine meter) and gas (2.067" Total Flow, Orifice 0.625") meters. The liquids are transferred to the gun barrel and the gas is sold to Frontier ID # 631046 located at Lat. 32.464597, long. 104.163046. The oil is then transferred to 2 – 500 bbl tanks connected to the LACT unit.

The test separator is used to perform a test on each well coming into the battery. The wells are tested at a rate of 1 per day. The well which is in test production will flow into the 3 phase separator and each phase is metered independently. The gas is sent to Frontier's meter # 631046 and the fluids are combined with the fluids coming from the other wells that are not in test and sent to the gun barrel.

Oil production will be allocated daily using the turbine meters located in each vessel and using the subtraction method.

Gas production will be allocated daily using the deduction method (volumes being metered from the test separator and the sales meter).

Facility diagrams are attached showing flow paths, seal locations, and vessels.

Regards,



Mauricio Monzon
Engineer Production SR
North West Permian Production Engineering

cc: Michael McMillan
Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe NM 87505

Interest Owner	Address	Certified ID #
ZPZ DELAWARE I LLC (OPERATOR)	2000 POST OAK BLVD, STE 100 HOUSTON, TX 77056	
OFFICE OF NATURAL RESOURCES REVENUE	P.O. BOX 25267 DENVER, CO 80225	7016 0340 0000 7028 3957
ALERTA N KEYES	P.O. BOX #461 LA PLATA, NM 87418	7016 0340 0000 7028 3933
ANN ALLISON AKIN	5115 2ND ST #6 LUBBOCK, TX 79416	7016 0340 0000 7028 3902
BALWICK LIMITED PARTNERSHIP	3300 N A ST, BLDG 2-212 MIDLAND, TX 79705	7016 0340 0000 7028 3889
BRUNDEN LIVING TRUST UTA 12 15 9	P.O. BOX AA ARTESIA, NM 88211	7016 0340 0000 7028 3865
CHARLES HENRY GREENE	840 CAMINO DEL REX LAS CRUCES, NM 88001	7016 0340 0000 7028 3858
CHARLOTTE G MEADOR	P.O. BOX #3995 DECATUR, TX 76234	7015 0640 0003 0226 0273
CLEAR FORK MINERALS LLC	309 W 7TH ST, STE 500 FT. WORTH, TX 76102	7015 0640 0003 0226 0280
CONRAD AND JOSEPHINE KEYESREV TR	801 RALEIGH RD LAS CRUCES, NM 88005	7015 0640 0003 0226 0297
DAVIS A COPPEDGE REVOC TR 11/11/14	P.O. BOX 1858 POTTSBORO, TX 75076	7015 0640 0003 0226 0303
DEBORAH T LEARY	443 WELLINGTON AVE ROCHESTER, NY 14619	7015 0640 0003 0226 0310
EDITH COPPEDGE WHEELER	P.O. BOX #64035 LUBBOCK, TX 79464	7015 0640 0003 0226 0327
ERYN GETTYS	301 E. SKYVIEW RD. AUSTIN, TX 78752	7015 0640 0003 0226 0020
FRANKLIN S GREENE	3115 ENCANTO DR. ROSWELL, NM 88201	7015 0640 0003 0226 0037
FREDRIC CHARLES GRIFFIN	P.O. BOX 19204 BOULDER, CO 80308	7015 0640 0003 0226 0044

HELEN MARIE WHITE	P.O. BOX 24492 CINCINNATI, OH 45224	7015 0640 0003 0226 0051
HENRY F THORNE	P.O. BOX 36 LONG PINE, NE 69217	7015 0640 0003 0226 0068
JAFFA MILLER	UNKNOWN (IN SUSPENSE)	
JAMES G THORNE	7858 BAY SHORE DR INDIANAPOLIS, IN 46240	7015 0640 0003 0226 0075
JAMES T COPPEDGE	P.O. BOX 43 SPENCER, IN 47460	7015 0640 0003 0226 0082
JANE ANN HUDSON DAVIS	6770 WOLF CREEK CT RIO RANCHO, NM 87124	7015 0640 0003 0226 0099
JANE ARETA RONCA WASHBURN	1400 VASSAR DR NE, APT C ALBUQUERQUE, NM 87106	7015 0640 0003 0226 0105
JOAN ANN HUDSON	660 CAMINO DE LOS MARES, APT 334 SAN CLEMENTE, CA 92673	7016 0340 0000 7028 3735
JOHN E THORNE	2756 TAMARACK DR. ARNOLD, MO 63010	7015 0640 0003 0226 0112
JOHN OLAF AND SHARON L LARSGAARD	7627 146TH AVE E SUMNER, WA 98390	7015 0640 0003 0226 0129
JOHN T PRICE III	11947 MARBON MEADOWS DR JACKSONVILLE, FL 32223	7015 0640 0003 0226 0136
JOHN WIDNEY LODEWICK	3305 WENTWOOD DALLAS, TX 75225	7015 0640 0003 0226 0143
JUSTIN HAMILTON TAUTE	1228 PLUMERIA PL NOLENSVILLE, TN 37135	7015 0640 0003 0226 0150
LAURA PATRICIA LODEWICK	511 NEWELL DALLAS, TX 75223	7015 0640 0003 0226 0167
LEISA G WAYLETT	326 W RIDGE ST DECATUR, TX 76234	7015 0640 0003 0226 0174
MARC E THORNE	37 DICKINSON RD DARIEN, CT 06820	7015 0640 0003 0226 0181
MARTHA M BYRD	9825 ADMIRAL NIMITZ ALBUQUERQUE, NM 87111	7015 0640 0003 0226 0198

MARY J MCWHORTER TRUST	P.O. BOX 1087 ASHLAND, OR 97520	7015 0640 0003 0226 0204
MCWHORTER LIVING TRUST	6140 E VOLTAIRE AVE SCOTTSDALE, AZ 85254	7015 0640 0003 0226 0211
MICHAEL HERD MOORE IRREV TRUST	2929 N CENTRAL EXPRESSWAY #235 RICHARDSON, TX 75080	7015 0640 0003 0226 0228
MICHELLE RUTH WHITE	4036 CAMPTON RD EUREKA, CA 95503	7015 0640 0003 0226 0235
NAKOLE L DAVIDSON	495 HANIVER ST ALAMOSA, CO 81101	7015 0640 0003 0226 0242
NOBLE ROYALTIES INC A TEXAS CORP	P.O. BOX 660082 DALLAS, TX 75266	7015 0640 0003 0226 0259
PATRICIA M MARSHALL	9 SIERRA BLANCA CIRCLE ROSWELL, NM 88201	7015 0640 0003 0226 0266
RAMONA L CLARK	1615 N W 101 ST CLIVE, IA 50325	7016 0340 0000 7028 4046
RICHARD OSCAR GREENE	5404 NOAH WAY SAN DIEGO, CA 92117	7016 0340 0000 7028 4039
ROBERT K MEYER	P.O. BOX 57 ELK MOUNTAIN, WY 82324	7016 0340 0000 7028 4022
SCOTT CHARLES HENSON	9430 POWERHOUSE RD NEWCASTLE, CA 95658	7016 0340 0000 7028 4015
SHAUNA TOMME	7801 BURSEY CT N RICHLAND HILLS, TX 76182	7016 0340 0000 7028 3995
STEVEN MARK HENSON	608 WEST ST VACAVILLE, CA 95688	7016 0340 0000 7028 3964
SUSAN L PRICE	5133 48TH AVE SEATTLE, WA 98105	7016 0340 0000 7028 3940
SUSAN NUGENT	17690 HERON LANE FORT MYERS, FL 33908	7016 0340 0000 7028 3919
TEXAS PRESBYTERIAN FOUNDATION	P.O. BOX 3480 OMAHA, NE 68103	7016 0340 0000 7028 3896
VICKI LYNN OWENS	5100 E CO RD 59 MIDLAND, TX 79705	7016 0340 0000 7028 3872

WILLIAM R BALLARD REV LIV TRUST	11651 E CALLE JAVELINA TUCSON, AZ 85748	7016 0340 0000 7028 4008
YATES BROTHERS PARTNERSHIP	P.O. BOX 1394 ARTESIA, NM 88211	7016 0340 0000 7028 3988
ZANAIDA RUTH GRIFFIN	166 MOUNTAIN BROOK PARK DR BIRMINGHAM, AL 35213	7016 0340 0000 7028 3971

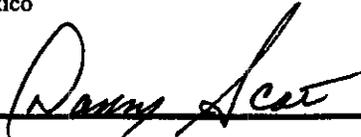
Affidavit of Publication

No. 24079

State of New Mexico

County of Eddy:

Danny Scott



being duly sworn says that she is the Publisher

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication October 5, 2016

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

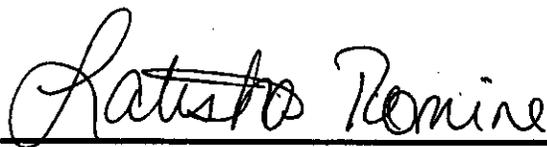
Subscribed and sworn before me this

6th day of October 2016



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2019



Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following and notice to the public:

(Note: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: Jafa Miller or his successors, heirs and devisees.
Application of Apache Corporation For Approval Of Surface Commingling, Eddy County, New Mexico. Applicant seeks authority to surface commingle production. Location: Sections 3 (Units E, F) and 4 (Units C, D), Township 18 South, Range 27 East, Eddy County. Well Name: Red Lake, Gloria-Yess North (20386) & Red Lake, Queen Grayburn-San Andres (51307)

Applicant: Apache Corporation, Attn: Chris Cassing, 363 Veterans Airport Lane, Midland, Texas 79705, (432) 818-1878

Interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after this publication, or the division may approve the application.

Published in the Artesia Daily Press, Artesia, N.M., Oct. 5 2014 Legal No. 24079.