

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



March 1, 2017

Surface Commingling Order PLC-207-C
Administrative Application Reference No. pMAM1703941353

APACHE CORPORATION
Attention: Ms. Isabel Alonzo

Pursuant to your application received on February 8, 2017, Apache Corporation (OGRID 873) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 2, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico;

RED LAKE; QUEEN-GRAYBURG-SA (51300)
RED LAKE; GLORIETA-YESO, NORTHEAST (96836)

and from the following diversely owned state wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: SB State Well No. 1 Lease
Description: SW/4 NW/4 of Section 2, Township 18 South, Range 27 East
Well: SB State Well No. 1 API 30-015-32218
Pool: Red Lake; Queen-Grayburg-SA and Red Lake; Glorieta-Yeso, Northeast

Lease: SB State Well No. 2 Lease
Description: SW/4 NW/4 of Section 2, Township 18 South, Range 27 East
Well: SB State Well No. 2 API 30-015-42002
SB State Well No. 4 API 30-015-42003
Pool: Red Lake; Glorieta-Yeso, Northeast

Lease: NMBP State Well No. 1 Lease
Description: NW/4 SW/4 of Section 2, Township 18 South, Range 27 East
Well: NMBP State Well No. 1 API 30-015-33158
Pool: Red Lake; Queen-Grayburg-SA and Red Lake; Glorieta-Yeso, Northeast

Lease: TDF State Well No. 1 Lease
Description: SE/4 NW/4 of Section 2, Township 18 South, Range 27 East
Well: TDF State Well No. 1 API 30-015-32231
TDF State Well No. 2 API 30-015-32900
Pool: Red Lake; Queen-Grayburg-SA and Red Lake; Glorieta-Yeso, Northeast

Commingled oil and gas production from the wells shall be measured and sold at the SB State Tank Battery (CTB), located in Unit E of Section 2, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

The oil and gas production from the diversely owned wells and leases, with the exception of the TDF State Well No. 2 shall be metered with a combination of metering and testing. The TDF State Well No. 2 shall be metered separately, before commingling.

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

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

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

This Order supersedes Administrative Order PLC-207-B, issued on July 20, 2004. This amended administrative order allows for well testing and metering of wells and leases, whereas the previous order required individual metering of wells and leases.

This approval is subject to like approval from the **New Mexico State Land Office** before commencement of the commingling operations.

Done at Santa Fe, New Mexico, on March 1, 2017.


DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals