



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Brett F. Woods, Ph.D.
Acting Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division



Surface Commingling Order CTB-624

February 15, 2011

Alamo Permian Resources, LLC
415 W. Wall Street, Suite 500
Midland, Texas 79701

Attention: Joanne Keating:

Alamo Permian Resources, LLC is hereby authorized to surface commingle oil and gas production from Artesia; Queen-Grayburg-San Andres Pool (**3230**) from the following leases and wells.

Lease: **State Lease No. 703-69**

Wells: Donnelly Kelly State Well No.2 (**API No. 30-015-02644**), 330' FSL, 2310' FEL, Sect. 8, T-18-S, R-28-E

Donnelly Kelly State Well No. 3 (**API No. (30-015-23815)**), 990' FSL, 2270' FEL, Sect.8, T-18-S, R-28 E

Lease: **State Lease No. E-9261**

Well: State B Well No. 2 (**API No. 30-015-01896**) Sect. 17, T-18-S, R-28-E

Lease: **Fee Lease**

Well: Jennings Well no. 1 (**API No. 30-015-23842**), Sec. 18, T-18-S, R-28-E.

Lease: **State Lease No. 30578**

Well: state N Well No. 1 (**API No. 30-015-02643**), Sect. 8, T-18-S, R-28-E

All in NMPM, Eddy County, New Mexico

Commingled oil and gas production from the wells detailed above shall be measured and sold at the Central Delivery Point (CDP), located in the NW4/SW/4 Unit K of Section 8, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.



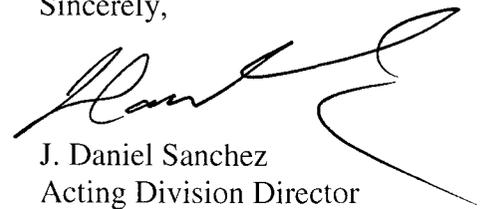
Production from each well shall be measured by periodic Well Tests, and monthly production shall be allocated back to each well using the allocation procedures developed by the operator. This allocation procedure is included in this order by reference.

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

FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on February 15, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Daniel Sanchez", with a long, sweeping flourish extending to the right.

J. Daniel Sanchez
Acting Division Director

JDS/re

cc: Oil Conservation Division - Artesia
State Land Office- Oil, Gas, and minerals Division – Santa Fe