

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order DHC-4679

Order Date: June 10, 2014

Application Reference Number: pPRG1403843340

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

Attention: Reesa Fisher

V Laughlin Well No. 8
API No. 30-025-39899
Unit C, Section 9, Township 20 South, Range 37 East, NMPM
Lea County, New Mexico

Pool	MONUMENT; TUBBS	Oil	47090
Names:	SKAGGS; DRINKARD	Oil	57000
	MONUMENT; ABO, SOUTHEAST	Oil	96764

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore. This well was previously approved for downhole commingling of the Monuments; Tubbs and Skaggs; Drinkard pools under Administrative Order DHC-HOB-512 issued by the Division's district I office.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production and testing from surrounding wells in the same pools.

Assignment of allowable and allocation of production from the well shall be as follows:

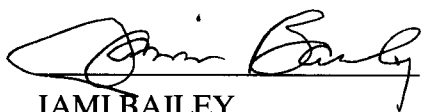
MONUMENT TUBBS (OIL) POOL	Pct. Gas: 38	Pct. Oil: 46
SKAGGS DRINKARD (OIL) POOL	Pct. Gas: 36	Pct. Oil: 34
SOUTHEAST MONUMENT ABO (OIL) POOL	Pct. Gas: 26	Pct. Oil: 20

REMARKS: The operator shall notify the Division's district I office upon implementation of commingling operations.

This Order supersedes DHC-HOB-512 issued on February 7, 2013, for the two pre-approved pools listed in Subsection E of 19.15.12.11 NMAC.

This well is also subject to Administrative Order PC-1253 issued February 1, 2013, for wells within the V. Laughlin Lease. Order PC-1253 approves production from the Southeast Monument Abo pool (Pool code 96764) for surface commingling.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



JAMI BAILEY
Director

JB/prg

cc: New Mexico Oil Conservation Division – Hobbs
Well File API No. 30-025-39899