

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order PLC-361

September 25, 2012

Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, Texas 79705-4561

Attention: Reesa Holland:

Apache Corporation ("Apache") is hereby authorize to surface commingle oil and gas production from the following Pools located in Sections 12 and 13, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.

Jalmat; Tan-Yates Seven Rivers (Gas) Pool (**79240**)
Langlie Mattix; Seven Rivers-Queen-Grayburg (Oil) Pool (**37240**)

and from the following diversely owned wells located on Fee leases in Lea County, New Mexico:

| Well Name & Number | API No. | Well Location | S-T-R |
|-------------------------------|---------------|-----------------------|------------|
| GW Toby WN Gas Com Well No.2 | 30 025 09567 | 660 FNL & 660' FEL A | 13-24S-36E |
| GW Toby WN Gas Com Well No. 4 | 30-025-25007 | 1880 FSL & 760 FEL I | 12-24S-36E |
| GW Toby Well No.5 | 30 025 -27158 | 660 FSL & 1980 FNL O | 12-24S-36E |
| GW Toby Well No. 6 | 30 025 27255 | 660 FNL & 1980 FEL B | 13-24S-36E |
| GW Toby WN Gas Com Well No. 7 | 30 025-29844 | 1980 FNL & 1980 FEL G | 13-24S-36E |

The commingled production shall be measured and sold at the Central Tank Battery located in Section 13, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. Oil and gas production from the wells is approved for off lease measurement and sales.

Oil and gas production from the wells shall be allocated on the basis of monthly periodic well tests, while total production from all the wells commingled at the Central Tank Battery shall be metered prior to being sold. This meter shall be calibrated semi-annually.

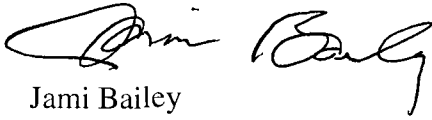
The producer/operator shall notify the transporter of this commingling authority.

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The operator shall notify the Hobbs district office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on September 25, 2012.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division District Office – Hobbs