

DATE IN 05/06/13	SUSPENSE 5/26	ENGINEER DB	LOGGED IN 05/07/13	TYPE PLC	APP NO. PPRG1312744280
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
RECEIVED OGD 1220 South St. Francis Drive, Santa Fe, NM 87505



379
673

2013 MAY 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]

Apache Corp

- [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 _____
- [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.**

30-025-06630
State Land 15 #1
30-025-06631
State Land 15 #2
30-025-37364
State Land 15 #7
30-025-37365
State Land 15 #8
30-025-37496
State Land 15 #12
30-025-37482
State Land 15 #13
30-025-38379
State Land 15 #16
30-025-39449
State Land 15 #17
30-025-39605
State Land 15 #18
30-025-39606
State Land 15 #19

[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.

REESA HOLLAND FISHER
Print or Type Name

Reesa Holland Fisher
Signature

SR STAFF REG TECH
Title

4/24/2013
Date

STATE LAND 15 LEASE WELLS

Reesa.Holland@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:

STATE LAND 15 LEASE WELLS

☐ 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
Eunice; San Andres (24150)					SEE
Penrose Skelly; Grayburg (50350)					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) WELL TESTS
(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: Reesa Holland Fisher TITLE: Sr Staff Regulatory Tech DATE: 4/30/2013

TYPE OR PRINT NAME REESA HOLLAND FISHER TELEPHONE NO.: 432-818-1062

E-MAIL ADDRESS: Reesa.Holland@apachecorp.com

Well Test History Report

Page 1 of 3
4/30/2013 8:57:16 am

Select By: Field

Display: All well tests between 10/01/2012 - 04/28/2013

Test Date	Effective Date	Measured Hours	Type	24 Hour Volumes					Ratios					Fluid Level
				Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	
Field: EUNICE AREA														
STATE LAND 15 #1														
10/3/2012	10/3/2012	24	A	117	1	50	116	0	50,000	427	0	0	427	
11/5/2012	11/5/2012	24	A	113	1	56	112	0	56,000	496	0	0	496	
12/3/2012	12/3/2012	24	A	121	1	60	120	0	60,000	496	0	0	496	
1/1/2013	1/1/2013	24	A	126	1	60	125	0	60,000	476	0	0	476	
2/1/2013	2/1/2013	24	A	126	1	60	125	0	60,000	476	0	0	476	
3/1/2013	3/1/2013	24	A	121	1	54	120	0	54,000	446	0	0	446	
Averages by Completion				121	1	57	120	0						
STATE LAND 15 #12														
10/18/2012	10/18/2012	24	A	21	1	68	20	0	68,000	3,238	0	0	3,238	
11/13/2012	11/13/2012	24	A	19	1	60	18	0	60,000	3,158	0	0	3,158	
12/11/2012	12/11/2012	24	A	23	1	62	22	0	62,000	2,696	0	0	2,696	
1/16/2013	1/16/2013	24	A	21	1	65	20	0	65,000	3,095	0	0	3,095	
2/7/2013	2/7/2013	24	A	19	1	60	18	0	60,000	3,158	0	0	3,158	
3/13/2013	3/13/2013	24	A	21	1	62	20	0	62,000	2,952	0	0	2,952	
Averages by Completion				21	1	63	20	0						
STATE LAND 15 #13														
10/15/2012	10/15/2012	24	A	22	2	35	20	0	17,500	1,591	0	0	1,591	
11/15/2012	11/15/2012	24	A	20	2	30	18	0	15,000	1,500	0	0	1,500	
12/12/2012	12/12/2012	24	A	24	2	26	22	0	13,000	1,083	0	0	1,083	
1/14/2013	1/14/2013	24	A	27	2	28	25	0	14,000	1,037	0	0	1,037	
2/11/2013	2/11/2013	24	A	22	2	26	20	0	13,000	1,182	0	0	1,182	
3/15/2013	3/15/2013	24	A	24	2	30	22	0	15,000	1,250	0	0	1,250	
Averages by Completion				23	2	29	21	0						
STATE LAND 15 #16														
10/9/2012	10/9/2012	24	A	26	1	45	25	0	45,000	1,731	0	0	1,731	
11/16/2012	11/16/2012	24	A	29	1	50	28	0	50,000	1,724	0	0	1,724	
12/14/2012	12/14/2012	24	A	33	1	52	32	0	52,000	1,576	0	0	1,576	
1/23/2013	1/23/2013	24	A	31	1	48	30	0	48,000	1,548	0	0	1,548	
2/13/2013	2/13/2013	24	A	29	1	40	28	0	40,000	1,379	0	0	1,379	
3/18/2013	3/18/2013	24	A	26	1	35	25	0	35,000	1,346	0	0	1,346	
Averages by Completion				29	1	45	28	0						

** All values are recorded using imperial units.

Well Test History Report

Page 2 of 3
4/30/2013 8:57:16 am

Select By: Field

Display: All well tests between 10/01/2012 - 04/28/2013

Test Date	Effective Date	Measured Hours	Type	24 Hour Volumes					Ratios					Fluid Level
				Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	
Field: EUNICE AREA														
STATE LAND 15 #17														
10/19/2012	10/19/2012	24	A	19	1	120	18	0	120,000	6,316	0	0	6,316	
11/19/2012	11/19/2012	24	A	21	1	118	20	0	118,000	5,619	0	0	5,619	
12/17/2012	12/17/2012	24	A	26	1	113	25	0	113,000	4,346	0	0	4,346	
1/24/2013	1/24/2013	24	A	29	1	109	28	0	109,000	3,759	0	0	3,759	
2/14/2013	2/14/2013	24	A	21	1	98	20	0	98,000	4,667	0	0	4,667	
3/21/2013	3/21/2013	24	A	23	1	100	22	0	100,000	4,348	0	0	4,348	
Averages by Completion				23	1	110	22	0						
STATE LAND 15 #18														
10/2/2012	10/2/2012	24	A	21	2	45	19	0	22,500	2,143	0	0	2,143	
11/2/2012	11/2/2012	24	A	20	2	47	18	0	23,500	2,350	0	0	2,350	
12/4/2012	12/4/2012	24	A	23	1	40	22	0	40,000	1,739	0	0	1,739	
1/1/2013	1/1/2013	24	A	21	1	38	20	0	38,000	1,810	0	0	1,810	
2/1/2013	2/1/2013	24	A	23	1	35	22	0	35,000	1,522	0	0	1,522	
3/1/2013	3/1/2013	24	A	21	1	38	20	0	38,000	1,810	0	0	1,810	
Averages by Completion				22	1	41	20	0						
STATE LAND 15 #19														
11/1/2012	11/1/2012	24	A	20	1	28	19	0	28,000	1,400	0	0	1,400	
12/3/2012	12/3/2012	24	A	23	1	26	22	0	26,000	1,130	0	0	1,130	
1/2/2013	1/2/2013	24	A	21	1	28	20	0	28,000	1,333	0	0	1,333	
2/4/2013	2/4/2013	24	A	26	1	30	25	0	30,000	1,154	0	0	1,154	
3/4/2013	3/4/2013	24	A	29	1	32	28	0	32,000	1,103	0	0	1,103	
3/5/2013	3/5/2013	24	A	22	2	28	20	0	14,000	1,273	0	0	1,273	
Averages by Completion				24	1	29	22	0						
STATE LAND 15 #2														
10/10/2012	10/10/2012	24	A	29	1	45	28	0	45,000	1,552	0	0	1,552	
11/6/2012	11/6/2012	24	A	31	1	40	30	0	40,000	1,290	0	0	1,290	
12/5/2012	12/5/2012	24	A	34	1	30	33	0	30,000	882	0	0	882	
1/10/2013	1/10/2013	24	A	34	1	30	33	0	30,000	882	0	0	882	
2/13/2013	2/13/2013	24	A	31	1	28	30	0	28,000	903	0	0	903	
3/12/2013	3/12/2013	24	A	29	1	30	28	0	30,000	1,034	0	0	1,034	

** All values are recorded using imperial units.

Well Test History Report

Page 3 of 3
4/30/2013 8:57:16 am

Select By: Field

Display: All well tests between 10/01/2012 - 04/28/2013

Test Date	Effective Date	Measured Hours	Type	24 Hour Volumes					Ratios					Fluid Level
				Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	
Field: EUNICE AREA														
Averages by Completion				31	1	34	30	0						
STATE LAND 15 #7 (GRAYBURG)														
10/10/2012	10/10/2012	24	A	237	2	202	235	0	101,000	852	0	0	852	
11/7/2012	11/7/2012	24	A	232	2	190	230	0	95,000	819	0	0	819	
12/6/2012	12/6/2012	24	A	222	2	186	220	0	93,000	838	0	0	838	
1/17/2013	1/17/2013	24	A	220	2	180	218	0	90,000	818	0	0	818	
2/5/2013	2/5/2013	24	A	192	2	180	190	0	90,000	938	0	0	938	
3/5/2013	3/5/2013	24	A	197	2	150	195	0	75,000	761	0	0	761	
Averages by Completion				217	2	181	215	0						
STATE LAND 15 #8														
10/15/2012	10/15/2012	24	A	21	1	82	20	0	82,000	3,905	0	0	3,905	
11/8/2012	11/8/2012	24	A	20	1	22	19	0	22,000	1,100	0	0	1,100	
12/7/2012	12/7/2012	24	A	22	1	26	21	0	26,000	1,182	0	0	1,182	
1/10/2013	1/10/2013	24	A	23	1	28	22	0	28,000	1,217	0	0	1,217	
2/6/2013	2/6/2013	24	A	21	1	22	20	0	22,000	1,048	0	0	1,048	
3/6/2013	3/6/2013	24	A	21	1	26	20	0	26,000	1,238	0	0	1,238	
Averages by Completion				21	1	34	20	0						
CORR. GRAV = 31.7														

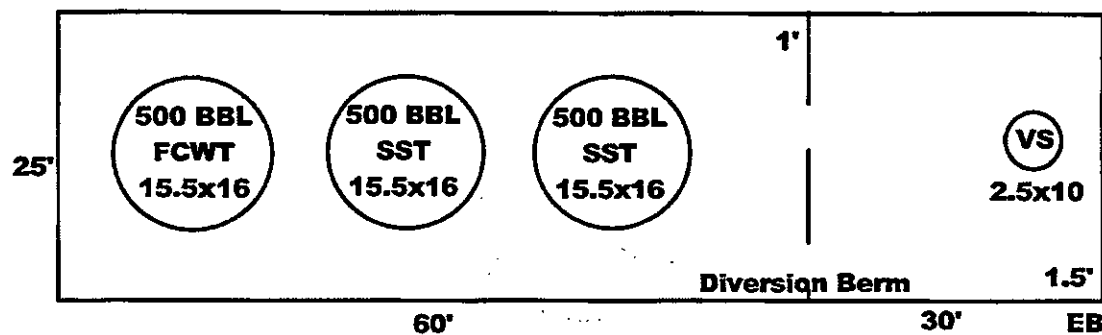
** All values are recorded using imperial units.



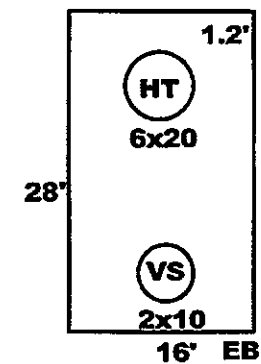
State Land 15 #1 TB



Adjusted Capacity:
2248 cu.ft. or 400 bbl.



Capacity:
538 cu.ft. or 966 bbl.



Drawing not to scale

Apache Corporation

Eunice Field Office

State Land 15 #1 TB

Lea County, NM

Sec. 16-21S-37E

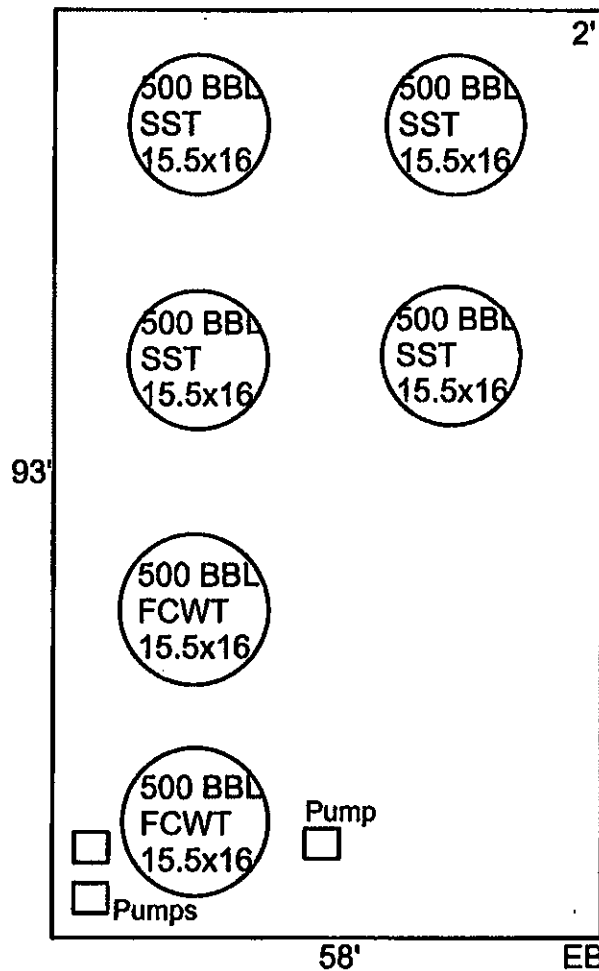
N 32.4728

W 103.1785

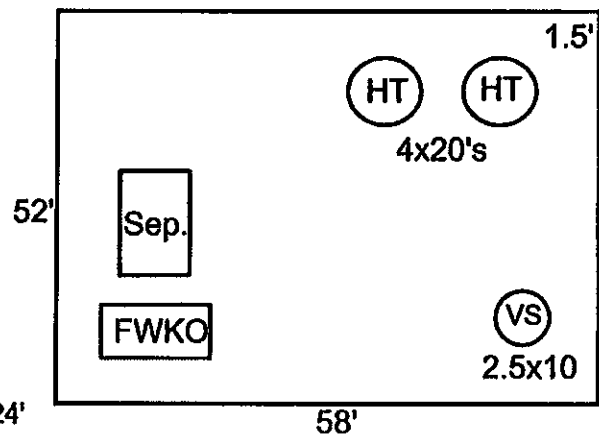
State Land 15 #2 TB

NORTH

Direction of Flow



Adjusted Capacity:
8,902 cu.ft. or 1,585 bbl

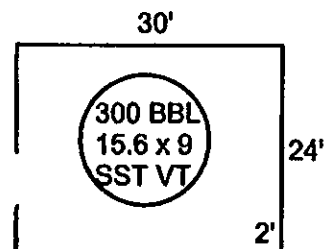


[MR]

[MR]

Capacity:
4,524 cu.ft. or 806 bbl

Revision date: 8/12/09



Capacity:
1440 cu. ft. or 256 bbl

Drawing not to scale

Apache Corporation	
Eunice Field Office	
State Land 15 #2 TB	
Lea County, NM	
N 32.4727	W 103.1716

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-025-06830	'Pool Code 50350	'Pool Name Penrose Skelly; Grayburg
'Property Code 34938	'Property Name State Land 15	'Well Number 001
'OGRID No. 873	'Operator Name Apache Corporation: 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705	'Elevation 3466' DF

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	21S	37E		660	South	660	West	Lea

¹¹ 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.

<div style="position: relative; height: 100px;"> 16 </div>				<div> <p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><u>Reesa Holland</u> 03/23/2011</p> <p>Signature Date</p> <p>Reesa Holland</p> <p>Printed Name</p> </div>
<div style="position: relative; height: 100px;"> 16 </div>				<div> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p> </div>

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

RECEIVED

JUN 20 1991

O. C. D.
ARTESIA, OFFICE

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Oryx Energy Company			Lease State Land 15		Well No. 2
Tract Letter N	Section 16	Township 21-South	Range 37-East	County NMPM	Lea
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the West line					
Ground level Elev. 3448' GR		Producing Formation Grayburg		Pool Penrose Skelly (Grayburg)	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

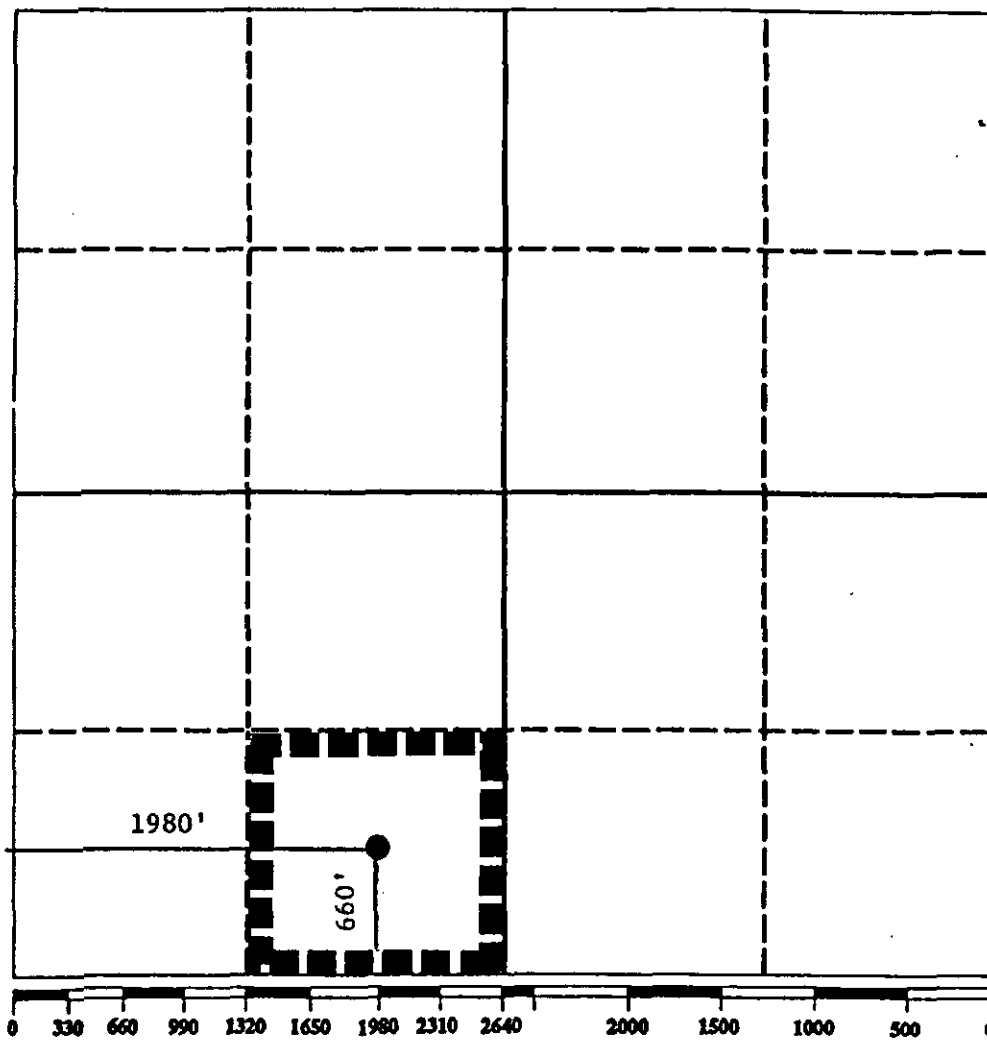
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, 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.

Signature

Jan Stevenson

Printed Name

Jan Stevenson

Position

Proration Analyst

Company

Oryx Energy Company

Date

June 19, 1991

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 knowledge and belief.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

DISTRICT I
1025 N. FRENCH DR., HOBBES, NM 88240

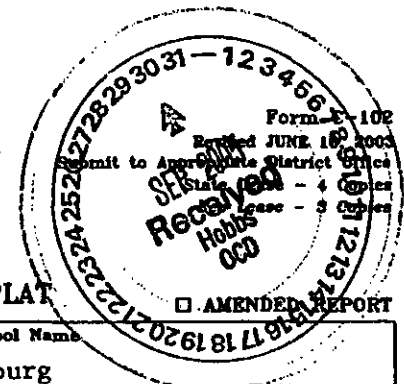
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505



WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-37364	Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 34948 34938	Property Name STATE LAND 15	Well Number 7
OGRID No. 000873	Operator Name APACHE CORPORATION	Elevation 3463'

Surface Location

UL or lot No. M	Section 16	Township 21-S	Range 37-E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 330	East/West line WEST	County LEA
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

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

	GEODETIC COORDINATES NAD 27 NME Y=537528.6 N X=857213.4 E LAT.=32°28'20.81" N LONG.=103°10'30.24" W	

OPERATOR CERTIFICATION

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

Elaine Linton
Signature
Elaine Linton
Printed Name
Engineering Technician
Title
9/26/2005
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my belief.

12641
JUNE 24, 2005
Date Surveyed
Signature & Seal of Professional Surveyor
GARY KIDSON
05.11.0976
Certificate No. GARY KIDSON 12641

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-37364		¹ Pool Code 24150		¹ Pool Name Eunice; San Andres	
¹ Property Code		¹ Property Name State Land 15			¹ Well Number 007
¹ OGRID No. 873		¹ Operator Name Apache Corporation: 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705			¹ Elevation 3463' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	21S	37E		330	South	330	West	Lea

¹¹ 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
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. DHC-3786			

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.

<div data-bbox="105 983 1057 1681"> <div data-bbox="105 983 346 1223">16</div> <div data-bbox="105 1223 346 1457"></div> <div data-bbox="105 1457 346 1681"></div> </div>	<div data-bbox="346 983 586 1223"></div> <div data-bbox="346 1223 586 1457"></div> <div data-bbox="346 1457 586 1681"></div>	<div data-bbox="586 983 826 1223"></div> <div data-bbox="586 1223 826 1457"></div> <div data-bbox="586 1457 826 1681"></div>	<div data-bbox="826 983 1057 1223"></div> <div data-bbox="826 1223 1057 1457"></div> <div data-bbox="826 1457 1057 1681"></div>	<div data-bbox="1057 983 1534 1457"> <p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>Reesa Holland Fisher</i> 04/30/2013</p> <p>Signature Date</p> <p>Reesa Holland Fisher</p> <p>Printed Name</p> </div>
				<div data-bbox="1057 1457 1534 1934"> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p> </div>
				<div data-bbox="105 1681 346 1934"> </div>

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-025-37364

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
STATE LAND 15

8. Well Number 7

9. OGRID Number 00873

10. Pool name or Wildcat
Penrose Skelly, Grayburg & Eunice; San Andres

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
Apache Corporation

3. Address of Operator 6120 South Yale, Suite 1500
Tulsa, OK 74136-4224

4. Well Location
Unit Letter M : 330 feet from the South line and 330 feet from the West line
Section 16 Township 21S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3463' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mfl Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐ OTHER: Downhole Commingle Grayburg & San Andres ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to Administrative Order DHC - 3786

Pool Names: Penrose Skelly; Grayburg (50350) and Eunice; San Andres (24150)

Perforations: San Andres 4140-45, 51-53, 57-59, 64-76, 83-86, 4190-4200, 02-06 & 4228-38' 1 JSPF
Grayburg 3793-95, 3872-74, 3924-26, 3980-84 & 4034-38' 2 JSPF

Allocation is based on subtraction method resulting in the following Test 20 BO x 404 MCF x 401 BW

San Andres	3 BO	15%	0 MCF	0%	256 BW	64%
Grayburg	17 BO	85%	404 MCF	100%	145 BW	36%
TOTAL	20 BO	100%	404 MCF	100%	401 BW	100%

Downhole commingling will not reduce the value of these pools. All ownership and percentages between the pools are identical.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Elaine Linton TITLE Engineering Technician DATE 09/26/2006

Type or print name Elaine Linton
For State Use Only

E-mail address: elaine.linton@apachecorp.com Telephone No. (918) 491-5362

ORIGINAL SIGNED BY

GARY W. WINK

OCD FIELD REPRESENTATIVE II/STAFF MANAGER

APPROVED BY: _____ DATE _____

Conditions of Approval (if any):

OCT 30 2006



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Administrative Order DHC-3786

Apache Corporation
6120 South Yale
Suite 1500
Tulsa, OK 74136-4224

Attention: Elaine Linton

State Land 15 Well No. 7
API No. 30-025-37364
Unit M, Section 16, Township 21 South, Range 37 East, NMPM,
Lea County, New Mexico
Penrose Skelly-Grayburg (50350), and
Undesignated East Hare-San Andres (96601) Pools

Dear Ms. Linton:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that 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 Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

Penrose Skelly-Grayburg Pool	Oil-85%	Gas-100%
Undesignated East Hare-San Andres Pool	Oil-15%	Gas-0%

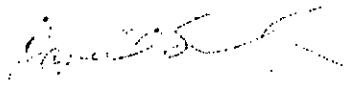
These percentages shall be amended only with written permission of the Division.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on September 12, 2006.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Hobbs
State Land Office – Oil, Gas, and Minerals Division

DISTRICT I
1625 N. FRANCH DR., DOBBS, NM 88240

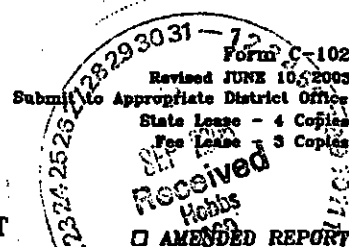
DISTRICT II
1801 W. GRAND AVENUE, ALBUQUERQUE, NM 88210

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

DISTRICT IV
1625 N. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505



WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-37365	Pool Code 50350	Pool Name Penrose Skelly, Grayburg
Property Code 34948	Property Name STATE LAND 15	Well Number 8
OGRID No. 000873	Operator Name APACHE CORPORATION	Elevation 3452'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	16	21-S	37-E		330	SOUTH	1650	WEST	LEA

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.
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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 the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Elaine Linton</i> Signature</p> <p>Elaine Linton Printed Name</p> <p>Engineering Technician Title</p> <p>Sept. 26, 2003 Date</p>
	<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><i>GARY G. EIDSON</i> Signature & Seal of Professional Surveyor</p> <p>Date Surveyed: JUNE 24, 2003</p>
	<p>Certificate No. GARY EIDSON 12841</p>
	<p>GEODETIC COORDINATES NAD 27 NME Y=537542.5 N X=858533.1 E LAT.=32°28'20.81" N LONG.=103°10'14.84" W</p>

DISTRICT I

1220 N. FRANCH DR., ROSHS, NM 86240

DISTRICT II

1201 W. GRAND AVENUE, ARTEHA, NM 86210

DISTRICT III

1000 Rio Brazos Ed., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37496		Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 34938	Property Name STATE 15		Well Number 12
OGRID No. 00873	Operator Name APACHE CORPORATION		Elevation 3437'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	21-S	37-E		350	SOUTH	990	EAST	LEA

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.

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Elaine Linton</i></p> <p>Signature</p> <p><u>Elaine Linton</u></p> <p>Printed Name</p> <p><u>Engineering Technician</u></p> <p>Title</p> <p><u>2/8/2006</u></p> <p>Date</p>
	<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><u>SEPTEMBER 15, 2005</u></p> <p>Date Surveyed</p> <p><u>LA</u></p> <p>Signature of Registered Professional Surveyor</p> <p><i>GARY E. LINTON</i></p> <p><u>05.11.14155</u></p> <p>RECORDED PROFESSIONAL SURVEYOR</p> <p>Certificate No. <u>GARY E. LINTON</u></p> <p>12641</p>
	<p>GEODETIC COORDINATES</p> <p>NAD 27 NME</p> <p>Y=537589.2 N</p> <p>X=861191.3 E</p> <p>LAT.=32°28'20.98" N</p> <p>LONG.=103°09'43.81" W</p>
	<p>350'</p> <p>990'</p>

DISTRICT I
1625 N. FRENCH DR., HOBBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37482		Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 34938	Property Name STATE LAND 15		Well Number 13
OGRID No. 00873	Operator Name APACHE CORPORATION		Elevation 3443'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	21-S	37-E		350	SOUTH	2200	EAST	LEA

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

<p>GEODETIC COORDINATES NAD 27 NME Y=537577.4 N X=859981.4 E LAT.=32°28'21.00" N LONG.=103°09'57.93" W</p> <p>350' 2200'</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> Signature</p> <p>Elaine Linton Printed Name</p> <p>Engineering Technician Title</p> <p>1/27/2005 Date</p>
	<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>SEPTEMBER 15, 2005</p> <p>Date Surveyed LA</p> <p>Signature Professional Surveyor</p> <p> Certificate No. GARY LINTON 12641</p>

DISTRICT I
1220 S. FRANCIS DR., SANTA FE, NM 87505

DISTRICT II
1220 S. FRANCIS DR., SANTA FE, NM 87505

DISTRICT III
1000 Rio Grande Rd., Arbores, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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Revised October 12, 2006
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-38378	Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 303202	Property Name STATE LAND 15	Well Number 16
OGSD No. 873	Operator Name APACHE CORPORATION	Elevation 3444'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	21-S	37-E		990	SOUTH	1650	EAST	LEA

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>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=538222.6' N X=860523.8' E</p> <p>LAT.=32.474256" N LONG.=103.164311" W</p> <p>Received Hobbs OCD</p> <p>1650'</p> <p>106'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sophie Mackay</i> 6/4/2007 Signature Date Sophie Mackay Printed Name</p> <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>MARCH 16, 2007</p> <p>Date Surveyed AR</p> <p>Signature & Seal of Professional Surveyor <i>Ronald J. Edmon</i> 3/27/07 07.11.0321</p> <p>Certificate No. GARY HEDDEN 12841 RONALD J. EDMON 3230</p>
---	---

DISTRICT I

1625 N. FRENCH DR., HOBBES, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

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DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39449	Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 303202	Property Name STATE LAND 15	Well Number 17
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3434'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	21-S	37-E		990	SOUTH	330	EAST	LEA

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.
-----------------------	-----------------	--------------------	-----------

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<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=538235.8 N X=861843.6 E</p> <p>LAT.=32°47'25.3" N LONG.=103°16'00.32" W</p> <p>LAT.=32°28'27.31" N LONG.=103°09'36.11" W</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sophie Mackay</i> 8/5/09 Signature Date</p> <p>Sophie Mackay Printed Name</p>
		<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>RONALD J. EIDSON Date: 8/11/09 Signature & Seal of Professional Surveyor</p> <p>Certificate No. CARY EIDSON 12041 RONALD J. EIDSON 3230</p>

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DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1600 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

FEB 23 2010

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39605 ✓	Pool Code 50350	Pool Name Penrose Skelly; Grayburg
Property Code 34938 ✓	Property Name STATE LAND "15" ✓	Well Number 18
OGHD No. 873 ✓	Operator Name APACHE CORPORATION ✓	Elevation 3441' ✓

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	21 S	37 E		660	SOUTH	1650	EAST	LEA ✓

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
0	16	21 S	37 E		380 308	SOUTH	1700 1750	EAST	LEA

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

<div style="border: 1px dashed black; width: 500px; height: 400px; position: relative;"> <div style="position: absolute; top: 10%; left: 10%; border: 1px solid black; padding: 5px;"> SURFACE LOCATION Lat - N 32°28'24.55" Long - W 103°09'53.44" NMSPCE- N 537957.911 E 901692.247 (NAD-83) </div> <div style="position: absolute; top: 30%; left: 35%; border: 1px solid black; padding: 5px;"> BOTTOM HOLE LOCATION Lat - N 32°28'21.78" Long - W 103°09'54.03" NMSPCE- N 537677.453 E 901644.606 (NAD-83) </div> <div style="position: absolute; bottom: 10%; left: 40%;"> </div> </div>	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</i> <u>Amber Cooke</u> 2/22/10 Signature Date <u>Amber Cooke</u> Printed Name
	SURVEYOR CERTIFICATION <i>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.</i> NOV 2009 Date Surveyed Signature of Professional Surveyor Certificate No. Gary L. Jones 7977 Basin Surveys

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1901 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87412

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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FEB 23 2011
HOBBS

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39606 /		Pool Code 50350 /	Pool Name Penrose Skelly; Grayburg /
Property Code 34938 /	Property Name STATE LAND "15" /		Well Number 19
OGRID No. 873 /	Operator Name APACHE CORPORATION /		Elevation 3457 /

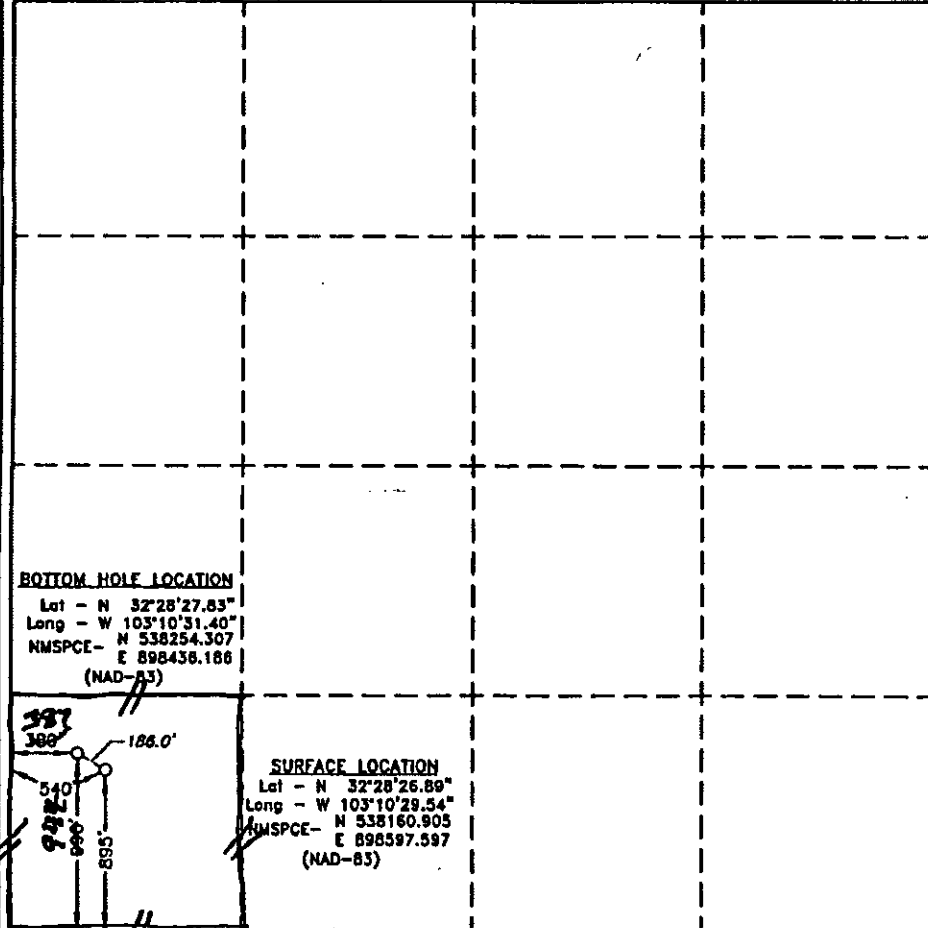
Surface Location

UL or lot No. M	Section 16	Township 21	Range 37 E	Lot Idn	Feet from the 895	North/South line SOUTH	Feet from the 540	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No. M	Section 16	Township 21	Range 37 E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 380 381	East/West line WEST	County LEA
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>BOTTOM HOLE LOCATION Lat - N 32°28'27.83" Long - W 103°10'31.40" NMSPC- N 538254.307 E 898438.186 (NAD-83)</p>  <p>SURFACE LOCATION Lat - N 32°28'26.89" Long - W 103°10'29.54" NMSPC- N 538160.905 E 898597.597 (NAD-83)</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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Amber Cooke</i> 2/22/10 Signature Date</p> <p>Amber Cooke Printed Name</p> <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 10 2009 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature of Professional Surveyor 7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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April 30, 2013

Ms. Diane Tipton
10 Double Arrow Rd.
Santa Fe, NM 87505

Re: Notice of Intent to Surface Commingle Production from
State Land 15 # 1, 2, 7, 8, 12, 13, 16, 17, 18, 19
Section S/2 S/2 Section 16, Township 21 South, Range 37 East
Lea County, NM

Dear Ms. Tipton:

Apache Corporation ("Apache") hereby proposes to surface commingle production from the ten (10) wells, listed on Exhibit A attached hereto, located on the State Land 15 lease (B-105-3) in the South ½ South ½ of Section 16, T21S-R37E, Lea County, NM. All wells are producing from the Grayburg formation, except for the #7, which produces from both the Grayburg and San Andres formation. Furthermore, the #1 and #2 are produced to a separate battery due to varied ownership. Apache would like to commingle all production into one single battery and allocate production by well tests. Apache feels surface commingling all wells, and any future wells drilled, into one battery would prevent waste and promote conservation.

Attached for your review is a copy of Apache's application to the New Mexico Oil Conservation Division ("NMOCD") requesting approval to surface commingle the referenced wells. As an overriding royalty interest owner, please evidence your approval to surface commingle production from the Ten (10) wells listed on Exhibit A, and any future wells drilled, by executing the below approval and returning one (1) copy to my attention using the enclosed prepaid envelope provided for your convenience. Any objection you have to our proposal must be filed, in writing, with the Santa Fe Office of the NMOCD within 20 days of the date the NMOCD receives our application to surface commingle said wells. The NMOCD would receive our application on approximately the same date that you receive this letter.

If you have any question regarding the aforementioned, please do not hesitate contacting the undersigned at (432) 818-1097, or by email at dylan.park@apachecorp.com.

Sincerely,

APACHE CORPORATION

Dylan C. Park
Landman

The undersigned hereby approves to surface commingle production from the State Land 15 lease, and any future wells drilled thereon, as more fully described in this letter and subject to further approval by the NMOCD.

By: _____
Title: _____

cc: State of New Mexico
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

EXHIBIT A
State Land 15 Lease

API	Well Name	Type	Lease	Status	Description	Unit Letter
30-025-06630	STATE LAND 15 #001	Oil	State	Active	M-16-21S-37E	M
30-025-06631	STATE LAND 15 #002	Oil	State	Active	N-16-21S-37E	N
30-025-37364	STATE LAND 15 #007	Oil	State	Active	M-16-21S-37E	M
30-025-37365	STATE LAND 15 #008	Oil	State	Active	N-16-21S-37E	N
30-025-37496	STATE LAND 15 #012	Gas	State	Active	P-16-21S-37E	P
30-025-37482	STATE LAND 15 #013	Gas	State	Active	O-16-21S-37E	O
30-025-38378	STATE LAND 15 #016	Oil	State	Active	O-16-21S-37E	O
30-025-39449	STATE LAND 15 #017	Oil	State	Active	P-16-21S-37E	P
30-025-39605	STATE LAND 15 #018	Oil	State	Active	O-16-21S-37E	O
30-025-39606	STATE LAND 15 #019	Oil	State	Active	M-16-21S-37E	M



April 30, 2013

Mr. Daniel L. Veirs
1209 W. Cuthbert Ave.
Midland, TX 79701

Re: Notice of Intent to Surface Commingle Production from
State Land 15 # 1, 2, 7, 8, 12, 13, 16, 17, 18, 19
Section S/2 S/2 Section 16, Township 21 South, Range 37 East
Lea County, NM

Dear Mr. Veirs:

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Dylan C. Park
Landman

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30-025-39605	STATE LAND 15 #018	Oil	State	Active	O-16-21S-37E	O
30-025-39606	STATE LAND 15 #019	Oil	State	Active	M-16-21S-37E	M

Brooks, David K., EMNRD

From: Holland, Reesa <Reesa.Holland@apachecorp.com>
Sent: Tuesday, May 28, 2013 10:30 AM
To: Brooks, David K., EMNRD
Subject: FW: Apache Corporation State Land 15 - Surface Commingle Application

Importance: High

Here is the other information you requested, David . . . sorry, I thought everything was there. ☹ Please let me know if you need anything further.

Thanks – R ☺

Reesa Holland Fisher

Apache

Midland, TX

432/818-1062

Reesa.Holland@apachecorp.com

From: Trammell, Devalle
Sent: Tuesday, May 28, 2013 11:26 AM
To: Holland, Reesa
Cc: Gladden, Jerad; Frank, Clayton; Trammell, Devalle
Subject: RE: Apache Corporation State Land 15 - Surface Commingle Application

The common tank battery will be

Apache Corporation
State Land "15" Battery
Sec. 16, T 21 S, R 37 E
NM 4017 Unit N
Lea County, New Mexico

The gravity at the common battery is 32.5 observed, and it does have the only San Andres production going to it

The gravity at the other battery that we want to send to the common battery is 32.8 observed; all gravities should be corrected back to 60 degrees

DeValle Trammell

Production Foreman
Eunice North
New Mexico District Area
Cell – (432) 208-3318
Office – (575) 394-1503 x1254
Email: devalle.trammell@apachecorp.com

From: Holland, Reesa
Sent: Tuesday, May 28, 2013 10:29 AM

To: Trammell, Devalle; Vashler, Jay; Frank, Clayton
Subject: FW: Apache Corporation State Land 15 - Surface Commingle Application

Hey, guys . . . please read note below from OCD Santa Fe and provide answers for me to respond to David Brooks.

Thanks, guys! – R ☺

Reesa Holland Fisher

Apache

Midland, TX

432/818-1062

Reesa.Holland@apachecorp.com

From: Brooks, David K., EMNRD [<mailto:david.brooks@state.nm.us>]
Sent: Tuesday, May 28, 2013 10:21 AM
To: Holland, Reesa
Subject: Apache Corporation State Land 15 - Surface Commingle Application

Good morning, Ms. Holland

I need a little more information regarding this proposed commingling.

Which tank battery will become the common tank battery, and where is that tank battery located, by unit letter, as well as section-township-range?

You have not filled in gravities on Form C-107-B, but have written in "Corr Grav 31.7" on one of the attached sheets. Does that apply to both the San Andres and the Grayburg?

Sincerely

David K. Brooks

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, May 28, 2013 9:32 AM
To: Reesa.Holland@apachecorp.com
Subject: FW: Apache Corporation State Land 15 - Surface Commingle Application

Good Morning Ms. Holland

In addition to the information requested below, I also need to know the method that will be used to measure or estimate production from each well for allocation purposes.

Sincerely

David K. Brooks

From: Brooks, David K., EMNRD
Sent: Tuesday, May 28, 2013 9:21 AM
To: Reesa.Holland@apachecorp.com
Subject: Apache Corporation State Land 15 - Surface Commingle Application

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