

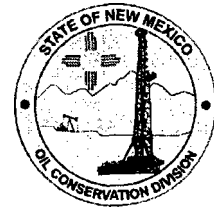
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order DHC-844-A
Order Date: May 2, 2017
Application Reference Number pMAM1712157778

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

Attention: Ms. Reesa Fisher

State CK Well No. 1
API No. 30-025-06672
Unit N, Section 19, Township 21 South, Range 37 East NMPM
Lea County, New Mexico

Pool	PADDOCK	Oil (49210)
Names:	DRINKARD	Oil (19190)
	TUBB OIL AND GAS (OIL)	Oil (60240)

Reference is made to your recent application for an exception to Division Rule 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.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 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 Division Rule 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, production from the Tubb Oil and Gas (Oil) Pool shall be based in on the subtraction method. The increased production of the subject well minus the established production in the Paddock and Drinkard Pools shall be allotted to the Tubb Oil and Gas (Oil) Pool.

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

PADDOCK POOL	Pct. Oil: 50	Pct. Gas: 23
TUBB OIL AND GAS (OIL) POOL	Pct. Oil: 30	Pct. Gas: 48
DRINKARD POOL	Pct. Oil: 20	Pct. Gas: 29

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

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

This Order Supersedes Administrative Order DHC-844, issued on July 31, 1992. Applicant added new perfs in the Tubb Oil and Gas (Oil) Pool.

This administrative order is subject to like approval from the New Mexico State Land Office.

Pursuant to Division Rule 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.



David R. Catanach
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico state Land Office – Oil, Gas, and Minerals