New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



Administrative Order DHC-4229 Order Date: 11/23/2009 Application Reference Number: pTGW0932152700

APACHE CORP 6120 S. YALE, SUITE 1500 TULSA, OK 74136

Attention: Sophie Mackay

A B BAKER Well No. 007 API No: 30-025-35134 Unit P, Section 10, Township 22 South, Range 37 East, NMPM Lea County, New Mexico Pool: EUNICE;SAN ANDRES, SOUTH Oil 24170 Names: PENROSE SKELLY;GRAYBURG Oil 50350

Reference is made to your recent application for an exception to Rule 12.9A. 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 12.11A., 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 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

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

EUNICE; SAN ANDRES, SOUTH Pool	Pct Gas: 46	Pct Oil: 33
PENROSE SKELLY; GRAYBURG Pool	Pct Gas: 54	Pct Oil: 67

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

Pursuant to Rule 12.11B., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

MARK E. FESMIRE, P.E. Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs