

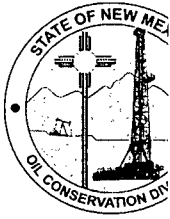


New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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

Daniel Sanchez
Acting Division Director
Oil Conservation Division



February 28, 2011

Apache Corporation
Attn: Mr. David Catanach
6120 S. Yale, Suite 1500
Tulsa, OK 74136

Administrative Order SD-2011-02

Re: Apache Corporation
Walter Lynch Well No. 13
API No. 30-025-
1650 feet FNL & 330 feet FWL
Unit E, Section 1, Twsp 22S, Range 37E
Lea County, New Mexico

Dear Mr. Catanach:

Reference is made to the following:

(a) your application (**administrative simultaneous dedication [SD] application reference No. pTGW11-03855240**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Apache Corporation [OGRID 873] (Apache), on February 7, 2011, and

(c) the Division's records pertinent to your request, including, but not limited to, the Division's records pertinent to Administrative Order NSP-1936-A-npt, issued on January 27, 2010.

Simultaneous Dedication Application

Apache has requested to simultaneously dedicate the SW/4 NW/4 of Section 1, Township 22 South, Range 37 East to the above-referenced Walter Lynch Well No. 13, which it expects to complete as a gas well in the Blinbry Oil & Gas (Pro Gas) Pool (72480), along with the existing Walter Lynch Well No. 8 (API No. 30-025-25644), a Blinbry gas well located 1880 feet from the North line and 760 feet from the West line (Unit E) of Section 1. The SW/4 NW/4 of Section 1 is an existing, non-standard 40-acre gas spacing unit in the said pool, established by Order NSP-1936-A-npt.



Your application has been duly filed under the provisions of Division Rules 15.11.C and 4.12.A.

It is our understanding that you are seeking simultaneous dedication of this unit to the wells described for geologic and engineering reasons, in order to prevent waste and maximize production from this unit.

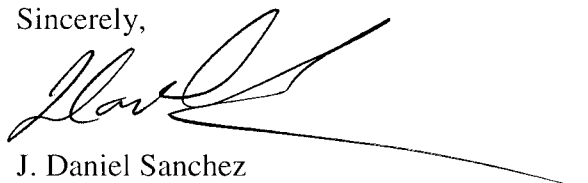
We also understand that you have given due notice of this application to all "affected persons," as defined in Rule 4.12.A(2)(a), in all existing and potential spacing units in the Blinebry adjoining the unit to be simultaneously dedicated.

Pursuant to the authority conferred by Division Rule 15.11.C, the above-described simultaneous dedication is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



J. Daniel Sanchez
Acting Director

JDS/db

cc: New Mexico Oil Conservation Division - Hobbs