

PC 981 N/R

2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

CORPORATION

[713] 296-6000

June 11, 1998

State of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088  
Attn: Ben Stone

JUN 25 1998

**Re: Surface Commingle Application**  
**Owen "B" Lease**  
**Eunice (North) BTD Field**  
**Lea County, NM**  
**Sec. 34, T21S, R37E**

Gentlemen:

Please find attached data to support Apache Corporation's proposal to surface commingle the production from the Owen "B" #1, #2, #4, & #6:

- 1) Gravities: #1 - SI — *DHL-1323*  
#2 (Drinkard) - 35.4, 39 BOPM  
#2 (Tubb) - SI — *0-0-0*  
#4 (Blindbry) - 35.4, 39 BOPM — *0-0-0*  
#4 (Drinkard) - 35.4, 196 BOPM  
#6 (Abo) - 35.1, 325 BOPM — *WANTZ*
- U.M.* <

The expected gravity is 35.4 and expected value of the commingled production is 599 BOPM.

- 2) Schematic diagram of the proposed installation attached
- 3) Plat attached
- 4) The actual commingled value of the commingled production will not be less than the sum of the values of production from each common source.
- 5) List of Royalty Owners notified

Surface Commingle Application

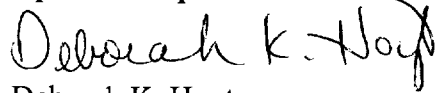
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June 11, 1998

If you have any questions regarding this application, please feel free to contact the Production Engineer, Bruce West at (713) 296-7127.

Sincerely,

**Apache Corporation**

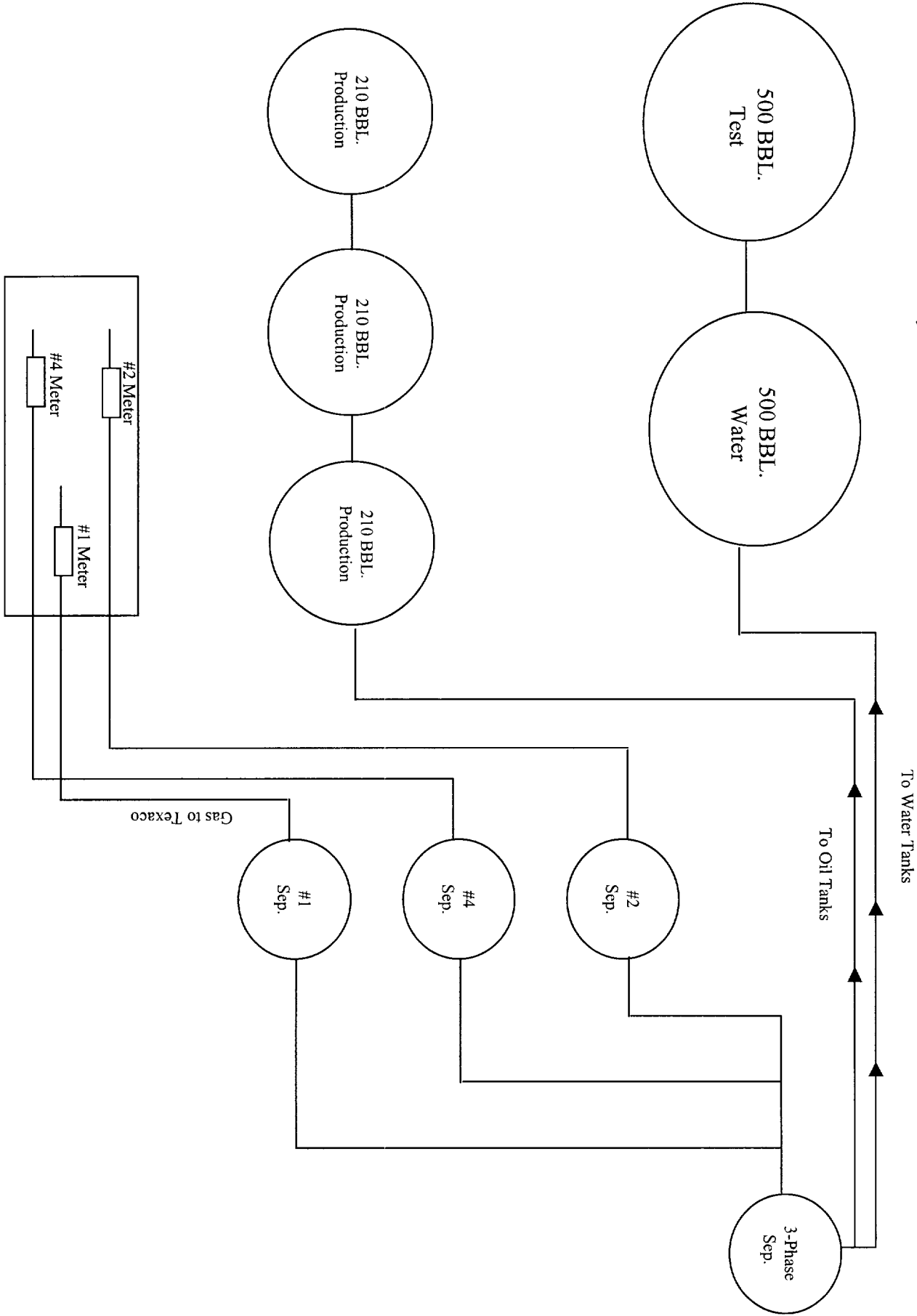
A handwritten signature in black ink, reading "Deborah K. Hoyt". The signature is written in a cursive style with a large, sweeping "D" and a stylized "Hoyt".

Deborah K. Hoyt  
Engineering Technician

cc: District Office  
Well File  
Midland

owensc.doc

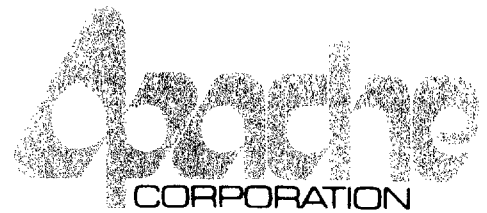
Owen "B" Battery











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[713] 296-6000

June 11, 1998

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT**

Royalty Owners  
(See Attached List)

**Re: Surface Commingle Application**  
**Owen "B" Lease**  
**Eunice (North) BTD Field**  
**Lea County, NM**  
**Sec. 34, T21S, R37E**

Royalty Owner:

Please find attached an application to surface commingle the Owen "B" Lease which Apache Corporation has filed with the State of New Mexico, Oil Conservation Division.

If you disagree with the terms of this application, please respond to the NMOCD in Santa Fe within 20 days of receipt of this letter. Otherwise, the application will be administratively approved.

If you have any questions regarding this, please feel free to contact me at (713) 296-7152.

Sincerely,

**Apache Corporation**

A handwritten signature in black ink that reads "Deborah K. Hoyt". The signature is fluid and cursive, with the first name being the most prominent.

Deborah K. Hoyt  
Engineering Technician

dkh

cc: NMOCD  
P.O. Box 2088  
Santa Fe, NM 87504-2088  
Attn: Ben Stone

Well File  
Midland