New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



Surface Commingling Order CTB-624-A

July 6, 2011

Alamo Permian Resources, LLC 415 W. Wall Street, Suite 500 Midland, Texas 79701

Attention: Joanne Keating:

Alamo Permian Resources, LLC is hereby authorized to surface commingle oil and gas production from Artesia; Queen-Grayburg-San Andres Pool (3230) from the following leases and wells.

Lease: State Lease No. 703-69

Wells: Donnelly Kelly State Well No.2 (API No. 30-015-02644), 330' FSL, 2310' FEL, Sect.

8, T-18-S, R-28-E.

Donnelly Kelly State Well No. 3 (API No. (30-015-23815), 990' FSL, 2270' FEL,

Sect.8, T-18-S, R-28 E

Lease: State Lease No. E-9261

Well: State B Well No. 2 (**API No. 30-015-01896**) Sect. 17, T-18-S, R-28-E

Lease: Fee Lease

Well: Jennings Well no. 1 (API No. 30-015-23842), Sec. 18, T-18-S, R-28-E.

Lease: State Lease No. 30578

Well: state N Well No. 1 (API No. 30-015-02643), Sect. 8, T-18-S, R-28-E.

As an amendment to the commingling order No.CTB-624, the applicant requests to add the following wells to the commingling operations.

State Lease No. 703

Donnelly Kelly State Well No. 2 API: 30-015-02644 O-8-18S-28E; 330 FSL & 2310 FEL Donnelly Kelly State Well No. 3 API: 30-015-23815 O-8-18S-28E; 990 FSL & 2270 FEL



State Lease No. E-9261

State E Well No. 2

API: 30-015-01896 B-17-18S-28E; 330 FNL & 2310

FEL

State Lease No. E-828

State N Well No.1

API: 30-015-02643 N-8-18S-28E; 330 FSL & 1650

FWL

State Lease No. OG-1644

West Artesia Graybg Unit Well No.1 API: 30-015-02645 C-8-18S-28E; 990 FNL & 2310 FWL

State Lease No. E-2715

West Artesia Grayburg Unit Well No.2 API: 30-015-02640 D-8-18S-28E; 990 FNL &

990 FWL

West Artesia Grayburg Unit Well No.2 API: 30-015-23869 D-8-18S-28E; 330 FNL &

330 FWL

State Lease No. B-6043

West Artesia Grayburg Unit Well No.3 API: 30-015-02630 H-7-18S-28E; 2310 FSL &

330 FEL

State Lease No. B-11539

West Artesia Graybg Unit Well no.4 API: 30-015-02648 E-8-18S-28E; 2310 FNL &

990 FWL

West Artesia Graybg Unit Well No.5 API: 30-015-02647 F-8-18S-28E; 2310 FNL &

1980 FWL

West Artesia Graybg Unit Well No.21 API: 30-015-2361 9 E-8-18S-28E; 1650 FNL &

330 FWL

West Artesia Graybg Unit Well No.26 API: 30-015-23784 F-8-18S-28E; 1710 FNL &

2274 FWL

State Lease No. OG-703

West Artesia Grayburg Unit Well No.6

API: 30-015-10328 G-8-18S-28E;

2310 FNL & 1980 FEL

State Lease No. OG-5851

West Artesia Grayburg Unit Well no.7 2310 FNL & 990 FEL	API: 30-015-02639	H-8-18S-28E;
State Lease No. E-7255	•	÷
West Artesia Graybg Unit Well No.8 2301 FSL & 990 FEL	API: 30-015-02659	I-8-18S-28E;
West Artesia Graybg Unit Well No.9 2310 FSL & 2310 FEL	API: 30-015-02658	J-8-18S-28E;
West Artesia Graybg Unit Well no.20 1650 FSL & 1980 FEL	API: 30-015-23113	J-8-18S-28E;
State Lease No. E-7179		
West Artesia Graybg Unit Well No.12 1650 FSL & 990 FWL	API: 30-015-02649	L-8-18S-28E;
State Lease No. OG-780		. !
West Artesia Graybg Unit Well No.13 2310 FSL & 330 FEL	API: 30-015-02636	I-7-18S-28E;
State Lease No. E-1820		•
West Artesia Graybg Unit Well no.19 28E; 330 FNL & 1650 FWL	API: 30-015-01897	: C-17-18S-
Fee Lease	,	i .
Jennings Well No. 1 28E; 406 FNL & 330 FEL	API: 30-015-23842	A-18-18S-
West Artesia Graybg Unit Well No.14 990 FSL & 330 FEL	API: 30-015-02635	P-7-18S-28E;
West Artesia Graybg Unit Well No.16 28E; 400 FSL & 330 FWL	API: 30-015-02641	M-8-18S-
West Artesia Graybg Unit Well No.17 28E; 330 FSL & 987 FWL	API: 30-015-02642	M-8-18S-
West Artesia Graybg Unit Well No.18 28E; 330 FNL & 990 FWL	API: 30-015-01899	D-17-18S-
West Artesia Graybg Unit Well No.24 28E; 970 FSL & 330 FWL	API: 30-015-23724	M-8-18S-

All in NMPM, Eddy County, New Mexico

The request to add these wells to the commingling operations is hereby approved. Commingled oil and gas production from the wells detailed above shall be measured and sold at the Central

Delivery Point (CDP), located in the NW4/SW/4 Unit K of Section 8, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Production from each well shall be measured by periodic Well Tests, and monthly production shall be allocated back to each well using the allocation procedures developed by the operator. This allocation procedure is included in this order by reference.

NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of commingling operations.

DONE at Santa Fe, New Mexico, on July 6, 2011.

Jami Bailey

Division Director

JB/re

cc: Oil Conservation Division – Artesia

State Land Office-Oil, Gas, and minerals Division - Santa Fe