State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



May 7, 2019

Surface Commingling Order PLC-565

APACHE CORPORATION Attention: Ms. Reesa Fisher

Pursuant to your application received on April 15, 2019, Apache Corporation (OGRID 873) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 31, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico;

| BLINEBRY OIL AND GAS (OIL) | (6660) |
|----------------------------|---------|
| DRINKARD | (19190) |
| EUNICE; SAN ANDRES | (24150) |
| PENROSE SKELLY; GRAYBURG | (50350) |
| TUBB OIL AND GAS (OIL) | (60240) |

and from the following diversely owned fee wells and leases in Section 31, Township 21 South, Range 37 East, in Lea County, New Mexico.

Lease: Gill Deep Well No. 1 Lease

Dedication: Lot 3/ Unit L, Lot 4/ Unit M, and SE/4 SW/4 of Section 31, Township 21 South,

Range 37 East

Wells: Gill Deep Well No. 1 API 30-025-25030

Gill Deep Well No. 2 API 30-025-25118 Gill Deep Well No. 3 API 30-025-25119

Pool: Blinebry Oil and Gas (Oil)

Lease: Gill Deep Well No. 4 Lease

Dedication: NE/4 SW/4, Section 31, Township 21 South, Range 37 East

Well: Gill Deep Well No. 4 API 30-025-25208

Pools: Blinebry Oil and Gas (Oil)

Drinkard

Administrative Order PLC-565 Chevron USA Inc. May 7, 2019

Page 2 of 2

Lease:

Gill Deep Well No. 5 Lease

Dedication:

SE/4 SW/4, Section 31, Township 21 South, Range 37 East

Well:

Gill Deep Well No. 5

API 30-025-37217

Pools:

Eunice: San Andres

Penrose Skelly; Grayburg

Lease:

Gill Deep Well No. 6 Lease

Dedication:

NE/4 SW/4, Section 31, Township 21 South, Range 37 East

Well:

Gill Deep Well No. 6

API 30-025-38684

Pools:

Blinebry Oil and Gas (Oil)

Drinkard

Tubb Oil and Gas (Oil)

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Gill Deep Battery central tank battery (CTB), located in Unit N, of Section 31, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured using a combination of well testing and metering.

Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Operator shall notify the transporter of this commingling authority and the District Office prior to implementation of commingling operations.

Adrienne Sandoval

Director

AS/mam

cc:

Oil Conservation Division - Hobbs District Office