

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Surface Commingling Order CTB-640

March 1, 2012

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

Attention: Carie Stoker:

Alamo Permian Resources, LLC, a wholly owned operating company for Alamo Resources II, LLC ("Alamo") is hereby authorized to surface commingle oil production from Grayburg Jackson; Seven Rivers-Queen-Grayburg-San Andres Oil Pool (**28509**) from the following State Leases and wells.

Wells: Cedar Lake Well No. 3Y (**API No. 30-015-05477**), Unit D Sect. 30, T-17-S, R-31-E.

State BK Well No. 3 (**API No. 30-015-05273**), Unit L Sect. 19, T-17-S, R-31-E

State BK Well No. 5 (**API No. 30-015-10167**), Units L Sect. 19, T-17-S, R-31-E.

All in NMPM, Eddy County, New Mexico

Commingled oil production from the wells detailed above shall be measured and sold at the Central Tank Battery (CTB), located in Unit L, Section 19, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

The oil production from the wells shall be measured by monthly periodic well tests. The oil production shall be allocated back to each well based on the Testing and Allocation Procedures submitted with this application and made part of this order.

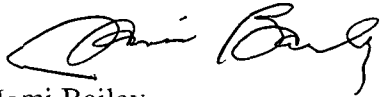
NOTE: This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations. It is the responsibility of the producer to notify the transporter of this commingling authority.

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



This approval is subject to like approval by the State Land Office (SLO) before commencing the commingling operations.

DONE at Santa Fe, New Mexico, on March 1, 2012.



Jami Bailey
Division Director

JB/re

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division – Santa Fe