State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4620

Order Date: May 31, 2013

Application Reference Number: pPRG1311348451

Apache Corporation 303 Veterans Airpark Lane, Ste 3000 Midland, TX 79705

Attention: Reesa Holland Fisher

Lockhart B 12 Well No. 13 API No: 30-025-40479

Unit H, Section 12, Township 21 South, Range 37 East, NMPM

Lea County, New Mexico

Pool Names: BLINEBRY OIL AND GAS Oil 6660 TUBB OIL AND GAS Oil 60240 DRINKARD Oil 19190 WANTZ; ABO Oil 62700

Reference is made to your recent application for an exception to 19.15.12.9A NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore. All of the subject pools are pre-approved for commingling under 19.15.12.11E NMAC except for the commingling of the Wantz; Abo and Tubb oil and gas pools.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A NMAC, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

BLINEBRY OIL & GAS (OIL) POOL	Pct Gas: 40	Pct Oil: 42
TUBB OIL & GAS (OIL) POOL	Pct Gas: 31	Pct Oil: 8
DRINKARD POOL	Pct Gas: 23	Pct Oil: 33
WANTZ; ABO (OIL) POOL	Pct Gas: 6	Pct Oil: 17

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This approval is conditional upon approval by the United States Bureau of Land Management prior to commencement of commingling.

REMARKS: The operator shall notify the Division's District I office upon implementation of commingling operations.

Pursuant to 19.15.12.11B NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

JAMI BAILEY

Director

JB/prg

cc:

Oil Conservation Division – Hobbs District Bureau of Land Management - Carlsbad