



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jim Noel

Cabinet Secretary

Karen W. Garcia

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



October 5, 2010

Administrative Order DHC-4322

Application Reference Number: pTGW1026455688

Apache Corporation
Attn Katie Kauffman
303 Veterans Airpark Lane
Suite 3000
Midland, TX 79705-4561

Re: V Laughlin Well No. 7
API No. 30-025-39587

Pool:	Monument Tubb	(47090)
	Skaggs Drinkard	(57000)
	Southeast Monument Abo	(96764)

Dear Ms. Holland:

Reference is made to your application for an exception to Division Rule 12.9A. to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A, 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.

In accordance with Division Rule 12.11.A(6), 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:

Monument Tubb Pool	Pct Gas: 34%	Pct Oil: 43%
Skaggs Drinkard Pool	Pct Gas: 40%	Pct Oil: 37%

Oil Conservation Division

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Southeast Monument Abo Pool	Pct Gas: 26%	Pct Oil: 20%
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It is our understanding that the above allocation percentages are based on production history of wells within a nine-section area surrounding this well.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

The operator shall notify the Division's Hobbs district office upon implementation of commingling operations.

Pursuant to Rule 12.11B, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



MARK E. FESMIRE, P.E.
Acting Director

MEF/db

cc: Oil Conservation Division – Hobbs