# Exhibit "F" Request for Surface Commingling Hawk B-1 Lease Abo Well List

### LEASELINE WELL

Well Name	API		Current Producing Reservoir		Current Producing Status	Current Daily BBLS	Current Daily MCF	Current Daily NGLS	Date Surface Commingled	WI	NRI	NSL Order No.	NSL Order Link	Comments
Hawk Federal B-1 #69	30-025-40458	8 Sec 8: J	Wantz; Abo	62700	Produ cing	61	206	15	6/20/2012	75.0000%	63.5775%	NSL-6504	NSL ORDER - HAWK FEDERAL B-1 #69	Production from this well is separately metered before flowing to Hawk Federal B 1 Battery. This Well is subject to Federal Communitization Agreement, dated February 1, 2012 (Federal Contract No. <u>NM128074</u> ) BLM and Working Interest Owners approved commingling production between Apache's Hawk B-1 Federal Lease No. NMNM-90161 and Apache's Hawk A Federal Lease No. NMLC- 031741A.

# NORMAL LEASE WELL

2

			Current		Current	Current	Current	Current	Date							
		Proration	Producing		Producing	Daily	Daily	Daily	Surface			NSL				
Well Name	API	Unit Letter	Reservoir	Pool Code	Status	BBLS	MCF	NGLS	Commingled	WI	NRI	Order No.	NSL Order Link	Comme	ints	
Hawk Federal B-1 #70	30-025-40678	3 Sec 8: K	Wantz; Abo	62700	Producing	21	533	N/A	10/23/2012	75.0000%	65.6250%	N/A				

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 Jaml Bailey Division Director Oil Conservation Division



November 22, 2011

Apache Corporation Attn: Mr. David Catanach

> Administrative Order NSL-6504 Administrative Application Reference No. pTWG11-29753213

Apache Corporation OGRID 873 Hawk Federal B-1 Well No. 69 API No. 30-025

<b>Proposed Location:</b>		· .			
Footages	Unit	Section	<b>Township</b>	Range	County
2480 FSL & 1805 FEL	J	8	215	37E	Lea

	Proposed Unit:				•
•	Description	Acres	Pool	<u>P</u>	ool Code
•	NW/4 SE/4 of Section 8	40	undesignated Wantz-Abo	6	2700

Reference is made to your application received on October 24, 2011.

You have requested to drill or re-complete this well at an unorthodox oil well location described above, in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location so that this well, if unproductive in the Abo, can be used as a development well in the West Blinebry Drinkard Unit Waterflood Project.

**Oil Conservation Division** 

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD November 22, 2011 age 2

It is also understood that notice to offsetting operators or owners is unnecessary due to common working interest ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.5.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Jami Bailey Director

JB/db

cc: New Mexico Oil Conservation Division – Hobbs United States Bureau of Land Management



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT Pecos District Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 www.blm.gov/nm

IN REPLY REFER TO: NM128074 3105.2 (P0220)

che Corp.

JUL 1 8 2012

Permian Land Dept.

# JUL 1 0 2012 Reference: Hawk B-1 No. 69 Township 21 South, Range 37 East, N.M.P.M. Section 8: NENWSE; NWNWSE; SESWNE; SWSWNE Lea County, NM

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

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM128074 involving 20 acres of Federal land in lease NM90161 and 20 acres of Federal land in lease LC031741A, Lea County, New Mexico, which comprises a 40 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Abo formation beneath the NENWSE; NWNWSE; SESWNE; SWSWNE of sec. 8, T. 21 S., R. 37 E., NMPM, and is effective February 1, 2012. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54). If you need assistance or clarification, please contact the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G Fernandez, Petroleum Engineer at (575) 234-2220.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Whitlook g

For Don Peterson Assistant Field Manager, Lands and Minerals

1 Enclosure: 1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreraz, Stacey Kaiser) NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room)

# Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

B. Approve the attached Communitization Agreement covering the NENWSE; NWNWSE; SESWNE; SWSWNE of sec. 8, T. 21 S., R. 37 E., NMPM, as to all producible hydrocarbons from the Abo formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.

Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

**C**.

O. W. httokg

uthorized Officer

Effective: February 1, 2012

Contract No.: Com. Agr. NM128074

# Federal Communitization Agreement

Contract No. 12807

THIS AGREEMENT entered into as of the 1 day of Edrucity, 2012, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

# WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Hawk B-1 Lease a)

HAWK D"I LAG	
Lessor:	The United States of America NM 90161
Lessee:	Estate of Wilbur C. Hawk
Date:	March 1, 1958
Description:	Insofar and only insofar as same covers the following-described
	land in Lea County, New Mexico:
	Township 21 South, Range 37 East, N.M.P.M.
	Section 8: NW/4NW/4SE/4, NE/4NW/4SE/4

**b**)

1.

Hawk A Lease	<u>) -</u>
Lessor:	The United State of America LC 031741 (a)
Lessee:	Estate of Wilbur C. Hawk
Date:	January 1, 1958
Description:	Insofar and only insofar as same covers the following-described
	land in Lea County, New Mexico:
	Township 21 South, Range 37 East, N.M.P.M.
•	Section 8: SW/4SW/4NE/4, SE/4SW/4NE/4

Containing 40.00 acres, and this agreement shall include only the Abo Formation underlying said lands and crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

2.

3.

4.

5.

6.

7.

The Operator of the communitized area shall be Apache Corporation, 303 Veterans Airpark Lane, Suite 3000, Midland, TX 79705. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.

The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the CA area are to placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to

measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

8.

9.

Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

- 10. The date of this agreement is <u>Ebruar</u>, 1, 29 and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination</u>. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

> APACHE CORPORATION, OPERATOR, LESSEE AND WORKING INTERST OWNER:

B ster, Attorney-in-Fac Timoth

#### ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this <u>d</u> day of <u>borom</u>, 201 by Timothy R. Custer, Attorney-in-Fact of Apache Corporation, a Delaware corporation, on behalf of said corporation.

KATHRINE RENEE JOHNSON Notary Public STATE OF TEXAS Comm. Bap. Aug 12, 2014

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Notary Public, State of Texas My Commission Expires

# WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

#### ZPZ DELAWARE I LLC:

12/16

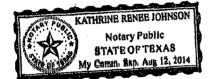
Bv: Timothy Cus Attorney-in-Fact

# ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me this 1, 5<sup>th</sup> day of 200 by Timothy R. Custer, Attorney-in-Fact of ZPZ Delaware I LLC, a Delaware corporation, on behalf of said corporation.



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Notary Public, State of Texas My Commission Expires

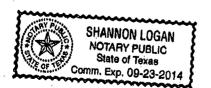
CHEVRON U.S.A. INC.:

2012

# ACKNOWLEDGEMENT

STATE OF TEXAS COUNTY OF MIDLAND

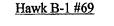
This instrument was acknowledged before me this 2nd day of Econum, 2012 by D.T. Kratz, as Alforney-in-Fact Chevron U.S.A. Inc., a Pannselvania corporation, on behalf of said corporation.

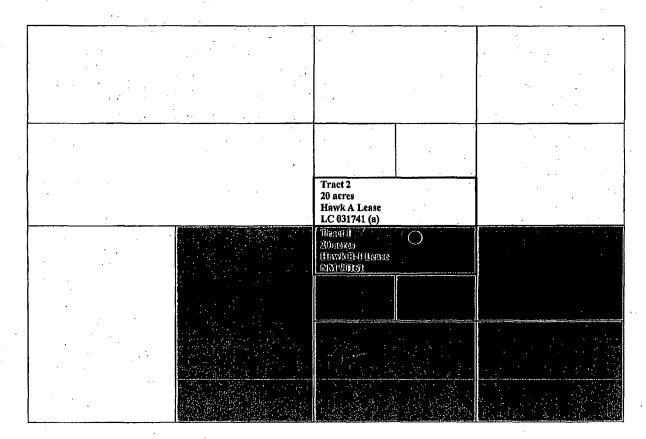


Notary Public, State of Texas My Commission Expires

# EXHIBIT "A"

Plat of communitized area covering 40 acres in Section 8, Township 21 South, Range 37 East, Lea County, New Mexico





Hawk B-1 #69, being 2,480' FSL & 1,805' FEL

Hawk A Lease – USA LC 031741 (a)

Hawk B-1 Lease - USA NM 90161

# **EXHIBIT "B"**

To Communitization Agreement Dated February 1, 2018 bracing the following described land in Lea County, New Mexico.

Operator of Communitized Area: Apache Corporation

# DESCRIPTION OF LEASES COMMITTED

# Tract No. 1

Lease Serial Number:

USA NM 90161 March 1, 1958

Lease Date:

Lease Term:

Lessor:

Present Lessee:

Description of Land Committed:

Number of Acres:

Royalty Rate:

Name and Percent ORRI Owners:

Name and Percent of Working Interest Owners: 5 years

The United States of America

Apache Corporation ZPZ Delaware I LLC Chevron U.S.A., Inc.

Township 21 South, Range 37 East, N.M.P.M. Section 8: NW/4NW/4SE/4, NE/4NW/4SE/4

20 acres

12.5%

None

Apache Corporation ( ZPZ Delaware I LLC ( Chevron U.S.A., Inc. (

(50%) (25%) (25%)

### Tract No. 2

Lease Serial Number:

Lease Date:

Lease Term:

Lessor:

USA LC 031741 (a)

January 1, 1958

5 years

United States of America

Present Lessee:

Apache Corporation ZPZ Delaware I LLC Chevron U.S.A., Inc.

Description of Land Committed:

Township 21 South, Range 37 East, N.M.P.M. Section 8: SW/4SW/4NE/4, SE/4SW/4NE/4

Number of Acres:

20 acres

12.5%

0.038095%

0.100000%

0.033334%

0.033333%

Royalty Rate:

Name and Percent ORRI Owners:

DERRIL E PEABODY **ELKS NATIONAL FOUNDATION** SHANNON C LEONARD CHILD'S KEVIN K LEONARD CHILD'S TRUST MOLLY M AZOPARDI CHILD'S MICHAEL KYLE LEONARD CHILD'S PATRICK LEONARD CHILD'S MARLENA K WEISHAAR REV TRUST JON F COLL CHARLES H COLL **ROBERT J LEONARDTHE LEONARD** MAX COLL II BOYS CLUB OF AMERICANATIONAL **NEW MEXICO BOYS & GIRLS** UNIVERSITY OF N MEXICO REGENTS ELLIOTT-HALL CO ATTN: GEORGE HALL MOLLY MICHELE AZOPARDI INGRID DREESSEN POWELL CECILE MARIE DREESSEN EDWARD T DREESSEN JR ALLIE M LEE TRUSTWELLS FARGO BANK BETTY KYTE DREESSEN IRREV ELLIOTT INDUSTRIES LARRY BLUMBERG JOHN BLUMBERG **REX BLUMBERG** CHARLES R HAWK THE HAWK TRUSTWILMA J HAWK THOMAS CARLTON HIGLEY GERALD DALE HIGLEY MARLENA S WEISHAAR HELEN L WASER REVOC LIV TR 41 WILBUR C HIGLEY JRPAY TX

0.033333% 0.033333% 0.033333% 0.047619% 0.250005% 0.250000% 0.166668% 0.150000% 0.100000% 0.100000% 0.100000% 0.250000% 0,166666% 0.180000% 0.180000% 0.180000% 0.375000% 0.960000% 0.250000% 0.015873% 0.015873% 0.015873% 0.322368% 0.125000% 0.038095% 0.042857% 0.047621%

0.023809%

0.011309%

**ELLEN HIGLEY** KATHRYN ANN PRICE MARGARET F EMERY FLOYD J & DORIS C SUTTON REV JAMES C UNDERWOOD **ANN E PERKINS R JANE EPPES** PERRY H UNDERWOOD HIEN THI NGO NGUYEN **STANLEY WHITE** DIANA J SOLARSKI DAVID MCINTOSH HAZEL K SHOEMAKER **ROBERTA BUCKELEW** ROBERT KNIGHT J ROBERT SHINE POA FOREST HOME INC DAVID CARLSON CHOSEN PEOPLE MINISTRIES INC **RAYMOND FOSTER REV LIVING TRST** SALLY RODGERS MELANIE COLL DETEMPLE

0.033928% 0.002381% 0.011309% 0.011309% 0.031250% 0.031250% 0.031250% 0.031250% 0.003289% 0.003289% 0.003289% 0.003289% 0.003289% 0.003289% 0.003289% 0.003289% 0.003289% 0.792070% 0.100000% 0.003575%

Name and Percent of Working Interest Owners:

Apache Corporation	(50%)
ZPZ Delaware I LLC	(25%)
Chevron U.S.A., Inc.	(25%)

## RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	20.00	63.6%
2	20.00	36.4%
Total	40.00	100.00%