



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

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SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

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www.nmstatelands.org

March 19, 2008

Apache Corporation  
6120 S. Yale  
Suite 1500  
Tulsa, Oklahoma 74136

RECEIVED

MAR 21 2008

TULSA  
LAND DEPT.

Attention: Mr. Mario R. Moreno, Jr.

Re: Preliminary Approval  
Proposed West Blinebry Drinkard Unit  
Lea County, New Mexico

Dear Mr. Moreno:

This office has reviewed the unexecuted copy of unit agreement, which you have submitted for the proposed West Blinebry Drinkard Unit Agreement, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short-term leases, until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division and a designation from the Bureau of Land Management. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.
4. A copy of the Unit Operating Agreement.
5. A copy of your Initial Plan of Operation.
6. A re-designation of well names and numbers.
7. The filing fee for a unit agreement is \$30.00 dollars for every section of partial section thereof. Please submit a \$210.00 filing fee.

Oil Conservation Division  
Case No. 8  
Exhibit No. 1

-State Land Office Beneficiaries -

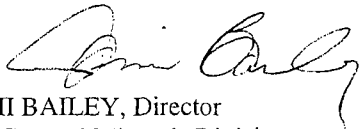
Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
PL/JB/pm

pc: Reader File  
OCD-Attention: Mr. Ed Martin  
BLM-Roswell, Attn: Mr. John Simitz