STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING THE:

APPLICATION OF APACHE CORPORATION FOR APPROVAL, RETROACTIVELY, FOR SURFACE COMMINGLING AND EXCEPTION TO THE METERING REQUIREMENTS OF DIVISION RULE 19.15.12.10(C)(1) NMAC, LEA COUNTY, NEW MEXICO

CASE NO. 14944 ORDER NO. R-13683-A (Nunc Pro Tunc)

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 24, 2013 at Santa Fe, New Mexico before Examiner William V. Jones.

On March 5, 2013, the Division Director issued Order No. R-13683 in this case.

NOW, on this 15th day of March, 2013, the Division Director

FINDS THAT:

(1) Finding Paragraph (9) and Ordering Paragraph (5) of Order No. R-13683 do not clearly state the intentions of the Director and should be corrected as follows.

IT IS THEREFORE ORDERED THAT:

- (1) Finding Paragraph (9) is hereby amended, *nunc pro tunc*, to read as follows:
 - (9) Apache has maintained a separate facility for wells producing from the Abo formation and has separately metered the two existing Abo wells due to ownership being diverse between those wells. In the future, Apache should continue to separately meter individual (or groups of) Abo wells with diverse ownership.
- (2) Ordering Paragraph (5) is hereby amended, nunc pro tunc, to read as follows:

- (5) The Wantz-Abo production from this Hawk B-1 lease shall be gathered and sold at the *Hawk B-1 Federal Tank Battery* and each well (or group of wells) producing from the Abo formation with diverse ownership shall have oil and gas separately and continuously metered prior to commingling for production and sales. Within any group of identically owned Abo wells, separate metering of production from each well is not required, but each well in that group may be tested periodically for allocation of oil and gas production.
- (3) In all other respects, Order No. R-13683 shall remain in full force and effect as originally written.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

SEAL

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY
Director