MF115412

State Lease	Control	Base File	County
MF115412	08-028181	150598	REEVES

Survey	H & G N RY CO		
Block	2		
Block Name			
Township			
Section/Tract	8		
Land Part			
Part Description			
Acres	640		
Depth Below	*Depth Above*	*Depth Other*	
Name	KEW DRILLING COMPANY		
Lease Date	7/19/2010		
Primary Term	3 yrs		
Bonus ($)	$0.00		
Rental ($)	$0.00		
Lease Royalty	0.0625		

Leasing: ___
Analyst: ___
Maps: ___
GIS: ___
DocuShare: ___

M F 1 1 5 4 1 2

F1087192

Contents of Mineral File Number: 115412

1. Basefile info & plat 06/26/13
2. Lease 06/26/13
3. Email 06/26/13
4. RRC permit info 06/26/13
5. DIVISION ORDER 06/05/13
6- Reconciliation Billing 9/2/14.
Scanned lw 11.17.2014
7- Limited Review Billing 4/10/15.
scanned PJ 6-2-15
8- Reconciliation Billing 3/16/16.
9 Billing Recon 10/5/16
scanned PJ 11-1-16
10. Recon Billing 8/24/17
scanned PJ 9/11-2017
11. Recon Billing 1/26/18
scanned PJ 1-29-2018

Basefile Number - 150598

Information for this County -

REEVES COUNTY

- Related GloBase Record
- Download GIS Data
- Energy Lease Information

IDENTIFICATION NUMBERS

LAND CLASS NUMBER - 08
BASEFILE NUMBER - 150598
CONTROL NUMBER 08-028181

SURVEY INFORMATION

SURVEY NAME - H&GN RR CO
GRANTEE NAME - Strain, C Hunter
ABSTRACT - 5633
BLOCK - TOWNSHIP - 8 H. & G. N. 2
SECTION NUMBER - 8
SECTION/PART -
CURRENT ACRES - 640
ORIGINAL ACRES - 640

PATENT INFORMATION:

PATENTEE NAME - Strain, C Hunter
DISTRICT - Bexar
CLASSIFICATION - School
FILE NUMBER - 150598
PATENT DATE - 22 Nov 1943
CERTIFICATE - 7/1388
PATENT NUMBER - 135
PATENT VOLUME - 92A

LEASE INFORMATION

POOLING AGREEMENTS:

No Uplands Units

No SubMerged Units

OIL & GAS LEASES:

No Upland Oil & Gas Leases

No Submerged Oil & Gas Leases

HARD MINERAL LEASES:

PSF SURFACE LEASES:

NONE

HISTORIC LEASES FOR THIS PARCEL

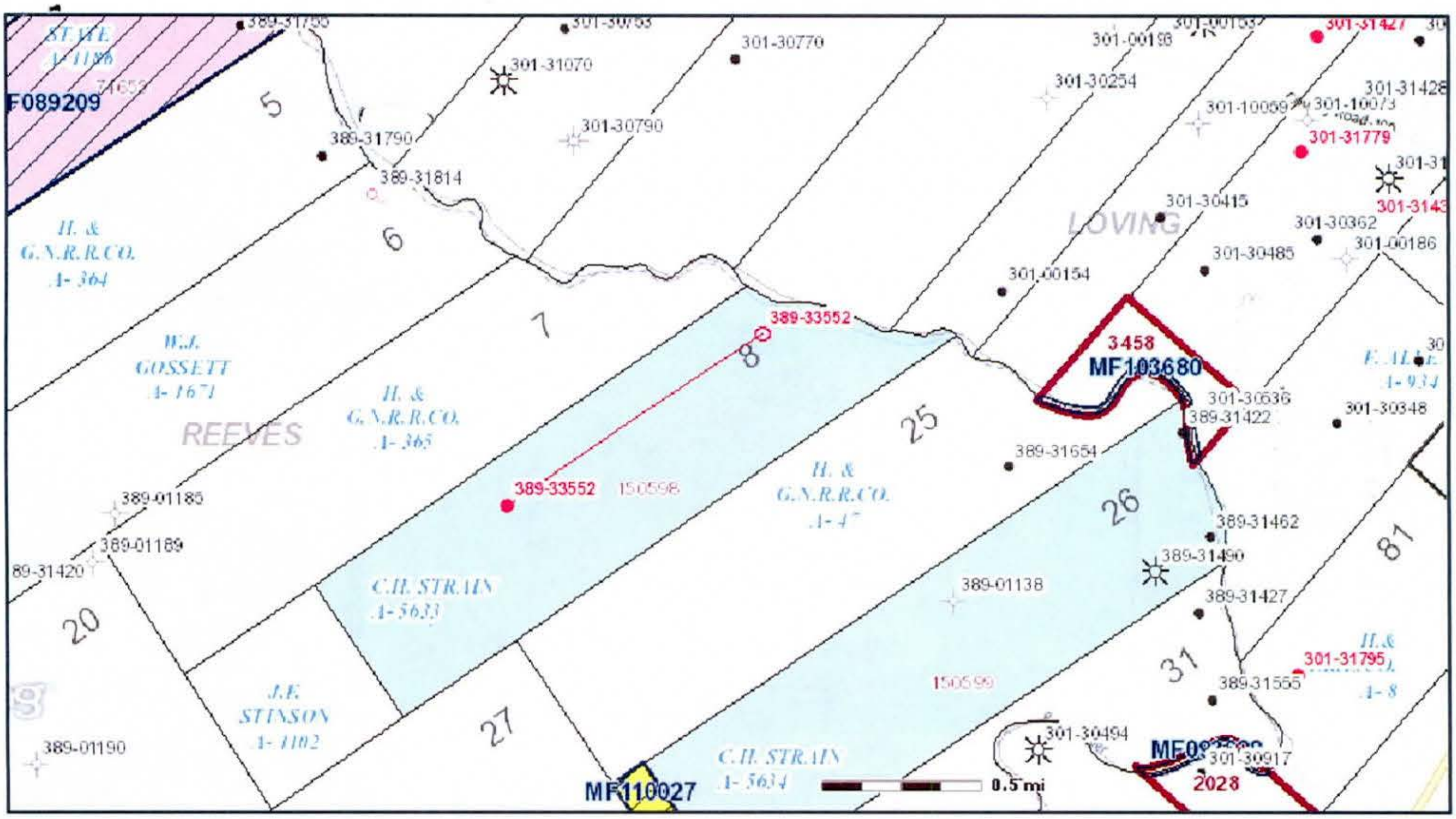
POOLING AGREEMENTS:

No Uplands Units

No SubMerged Historical Units

OIL & GAS LEASES:

Upland Historical Oil&Gas Leases MF090201
Upland Historical Oil&Gas Leases MF107013



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.

Printed: Jun 26, 2013

File No. 115412

Basefile info & plat

Date Filed: 06/26/15

Jerry E. Patterson, Commissioner

By [signature]

MF 115412

Producers 88 (7/69-04) Paid Up Revised
Pooling Provision

Pound Printing Company, L.L.C.
P.O. Box 53010
Midland, TX 79710
1-800-526-3790 TX-1

OIL, GAS, AND MINERAL LEASE

THIS LEASE is made and entered into to be effective July 19, 2010, deemed the Effective Date, between Margaret Strain Mallard, referred to as Lessor, (whether one or more), whose address is P.O. Box 2, San Angelo, TX 76902, and KEW Drilling, referred to as Lessee, whose address is 4925 Greenville Ave., Suite 500, Dallas, TX 75206.

1. Lessor, in consideration of Ten Dollars and other valuable consideration ($10.00 & OVC), the receipt and sufficiency of which is acknowledged, and for the royalties reserved in this Lease, GRANTS, LEASES, and LETS the lands described below, exclusively to Lessee, for the purpose of exploring, drilling, producing and owning, oil, gas, and all other minerals produced with them, and conducting all activities necessary or reasonably incident to the exploration for, operations in search of, and production of oil, gas, and other minerals. The lands subject to this Lease (referred to as the "land" or the "leased premises") are located in Reeves County, Texas, and are described as follows:

All of Section 8, Block 2 H&GN RR Co. Survey, Reeves County, Texas

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

For the purpose of determining the amount of any bonus or other payments provided for in this Lease, the land shall be deemed to contain 640 acres, whether actually contain more or less. A recital of acreage in any tract shall be deemed to be the true acreage in a described tract. Lessor accepts the bonus as lump sum consideration for this Lease and all rights and options it provides.

2. This is a Paid-Up Lease. No payments are due under this Lease during the primary term, except for the payment of royalties. Unless sooner terminated or longer kept in force under any other of its provisions, this Lease shall remain in force for a term of Three (3) years from the Effective Date stated above, (the "primary term"), and as long thereafter as operations, as defined in this Lease, are conducted on the land with no cessation for more than ninety (90) consecutive days, or this Lease is maintained by any of its other provisions. If, at the end of the primary term Lessee has drilled and abandoned a well on the leased premises, or lands pooled with it, this Lease shall not terminate at the end of the primary term, if Lessee, within 180 days of the end of the end of the primary term, commences additional operations on the Leased premises, or lands pooled with it, which operations shall be deemed operations during the primary term of this Lease and serve to maintain it in full force and effect.

3. Lessor reserves as royalty, and Lessee agrees to pay Lessor as royalty on oil, other liquid hydrocarbons, and non-gaseous minerals produced and saved from the leased premises (the "oil"), 1/5 part of the net amount received by Lessee for the sale of the oil at the time it is run from the storage tanks, or into the pipeline to which the well or wells on the leased premises are connected. In either case, Lessor's interest shall bear the stated part of all taxes and costs of treating the oil to render it marketable. Lessee shall pay Lessor as royalty on gas and casinghead gas produced from the leased premises 1/5 of the net amount received by Lessee for the gas if sold at the wellhead, at a location on the leased premises, or on lands with which the leased premises are pooled, with Lessor's share of those proceeds to bear its proportionate share of all taxes and costs incurred by Lessee in delivering, processing, compressing, or otherwise making the gas merchantable or enhancing its marketability. On all other gas and casinghead gas, Lessee shall pay Lessor as royalty 1/5 of the net amount received by Lessee for the gas so sold, less its proportionate share of all costs of transportation, compression, processing, treating, and all other costs of marketing. For all gas sold, Lessor shall bear its proportionate share of all adjustments for heating content, shrinkage, and deductions for impurities. If, at the expiration of the primary term or at any later time or times, there is a well or wells on the land or on lands with which the land or any portion of it are pooled, or unitized, capable of producing oil or gas, and all the wells are shut-in, this Lease shall, nevertheless, continue in force as though operations were being conducted on the land for so long as the wells are shut-in, and Lessee pays the shut-in royalty provided below, and this Lease may be continued in force as if no shut-in had occurred. Lessee agrees to use reasonable diligence to produce, utilize, or market the oil and gas capable of being produced from the wells, but in the exercise of diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, shall not be required to settle labor trouble, or to market oil or gas on terms unacceptable to Lessee. If, at any time after the expiration of the primary term of this Lease, all the wells, oil or gas, on the leased premises, or lands pooled with it, are shut in and this Lease is not otherwise maintained in effect, Lessee may pay or tender, by its check or draft, as shut in royalty, an amount equal to One Dollar ($1.00) for each acre of land then covered by this Lease (the "shut-in royalty") on or before the end of each 12 month period during which all wells on the leased premises, or lands pooled with it, are shut in and oil or gas is not being produced, sold, or used, and this Lease is not otherwise being maintained. Each payment or tender shall be made to the parties, who at the time of payment, would be entitled to receive the royalties which would be paid under this Lease if the wells were producing, and may be paid directly to each party entitled to a payment, or deposited in the (payable directly to Lessor), or its successors, which shall continue as the depository bank for the parties, regardless of changes in the ownership of shut-in royalty. If at any time Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive payments, Lessee may, at its election, in lieu of any other method of payment, pay or tender the shut-in royalty, in the manner specified above, either jointly to the parties, or separately to each in accordance with their respective ownership. Any payment may be made by Lessee's check or draft, deposited in the mail or delivered to the party entitled to receive payment or to the depository bank provided for above, on or before the last date for payment. Lessee's failure to pay, or tender, or to properly pay or tender any sum due as shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this Lease. Nothing shall impair Lessee's right to deliver a release as provided in paragraph 5. below. In the event of an assignment of this Lease, in whole or in part, liability for any payments of any sums which may be due under this Lease shall rest exclusively on the then owner or owners of this Lease, severally, as to the acreage owned by each, and the original Lessee, or an assignee will have no obligation for royalties payable on production after an assignment to a subsequent or successor lessee or assignee.

4. At its option, Lessee is granted the right and authority to pool, unitize, or combine the land covered by this Lease or any portion of it as to oil and/or gas, with any other land covered by this Lease, and/or with any other land, lease, or leases in the immediate vicinity of the leased premises, when in Lessee's judgment it is necessary or advisable to do so in order to explore, develop, and operate the leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and/or gas in and under and that may be produced from the leased premises. Units pooled for oil shall not substantially exceed eighty (80) acres each in area, and units pooled for gas shall not substantially exceed one hundred sixty (160) acres each in area, plus, in both instances, a tolerance of ten percent (10%); provided, should a governmental authority having jurisdiction prescribe, allow, or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location, drilled either vertically or horizontally, to comply with existing or subsequently established field rules, or for obtaining a greater allowable from any well to be drilled, drilling, or already drilled, units created may conform substantially in size with those permitted, allowed, or prescribed by applicable governmental regulations, now in existence, or later enacted.

Lessee may pool or combine acreage covered by this Lease or any portion of it as to oil and/or gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the Lease is pooled or combined as to any other stratum or strata, and oil units need not conform to the area within gas units. Pooling in one or more instances shall not exhaust the rights of the Lessee to pool this Lease or portions of it into other units. On execution by Lessee of an instrument describing and designating the pooled acreage as a pooled unit, the unit shall be effective as to all parties, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in the unit. Lessee shall file the instrument for record in the appropriate records of the county in which the leased premises are located. Any unit formed may be revised, re-formed, increased or decreased in size, or changed in configuration, at the election of Lessee, at any time either before or after commencement of operations or production from the unit well. Lessee may, at any time, at its election, vacate, dissolve, or terminate any unit formed, by written instrument filed for record in the county where the land is located, which instrument shall specify the date of termination of the unit.

Lessee may exercise its right to pool at any time and from time to time, while this Lease is in force and effect, whether before or after commencing operations, completing an oil or gas well, or establishing production on the leased premises, or on any land pooled or unitized with the leased premises. Any operations for drilling on or production of oil or gas from a pooled unit which include all or a part of the leased premises, regardless of whether the operations for drilling were commenced, or the production was secured, before or after the execution of this Lease or the instrument designating the pooled unit, shall be considered operations for drilling on or production of oil and/or gas from land covered by this Lease, whether or not the well or wells is located on the leased premises. In that event, operations for drilling shall be deemed to have been commenced on the leased premises within the meaning of this Lease; and, the entire acreage constituting the unit or units, as to oil and/or gas, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this Lease.

For the purpose of computing the royalties to which owners of royalties and payments out of production shall be entitled on production of oil and/or gas from a pooled unit, there shall be allocated to the land covered by this Lease and included in a unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) a pro rata portion of the oil and/or gas, produced from the pooled unit after deducting that used for operations on the Lease or pooled unit. The allocation shall be on an acreage basis; i.e., there shall be allocated to the acreage covered by this Lease and included in the pooled unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) that pro rata portion of the oil and/or gas, produced from the pooled unit which the number of surface acres covered by this Lease (or in each separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties shall be computed on the portion of the production, whether it be oil or gas, allocated to the land covered by this Lease and included in the unit just as though the production were from the land. The production from an oil well will be considered as production from the Lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and, production from a gas well will be considered as production from the Lease or gas pooled unit from which it is producing and not from an oil pooled unit.

The formation of any unit shall not have the effect of changing the ownership of any shut-in royalty which may become payable under this Lease. If this Lease now or later covers separate tracts, no pooling or unitization of royalty interest as between any separate tracts is intended or shall be implied or result merely from the inclusion of the separate tracts within this Lease, but Lessee shall nevertheless have the right to pool, as provided above, with the consequent allocation of production as provided above. As used in this paragraph, the words "separate tract" mean any tract with royalty ownership differing, now or later, either as to parties or amounts, from that as to any other part of the leased premises.

5. Lessee may, at any time and from time to time, execute and deliver to Lessor, or file for record, a release or releases of this Lease as to all or any part of the land or of any mineral, depth, or horizon under the land, and immediately be relieved of all obligations, as to the released acreage or interest.

6. Whenever used in this Lease the word "operations" shall mean operations for any of the following: surface location preparation or maintenance; drilling; testing; completing; reworking; recompleting; deepening; plugging back or repairing of a well in search of or in an endeavor to obtain production of oil, gas, or other minerals; or production of oil, gas, or other mineral, whether or not in paying quantities.

7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from the land in all operations under the terms of this Lease. Lessee shall have the right, at any time, to remove all machinery and fixtures placed on the land, including the rights to draw and remove casing. Lessee shall pay for damages caused by its operations to growing crops and timber on the land.

8. The rights and estate of any party to this Lease may be assigned from time to time, in whole or in part, and as to any mineral, depths, or horizon. All of the covenants, obligations, and considerations of this Lease shall extend to and be binding on the parties to this Lease, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of the land, royalties, or other moneys, or any part of them, however affected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurements of production. Notwithstanding any other actual or constructive knowledge or notice to Lessee, its successors or assigns, no change or division in the ownership or the land, the royalties, other moneys, or the right to receive the same, however effected, shall be binding on the then record owner of this Lease until sixty (60) days after there has been furnished to the record owner at its principal place of business, by Lessor or Lessor's heirs, successors, or assigns, notice of the change or division of ownership, supported by either originals or certified copies of the instruments which have been properly filed for record which evidence the change or division of ownership, and of any applicable court records and proceedings, transcripts, or other documents necessary, in the opinion of the record owner, to establish the validity of the change or division of ownership. If any change in ownership occurs by reason of the death of an owner, Lessee may, nevertheless pay or tender the royalties, other moneys, or any part of them, to the credit of the decedent in the depository bank provided above.

9. In the event Lessor considers Lessee has not complied with all its obligations under this Lease, either express or implied, Lessor shall notify Lessee in writing, setting out specifically how Lessee is claimed to have breached this Lease. Lessee shall then have sixty (60) days after receipt of the notice within which to meet or commence to meet all or any part of the claimed breaches alleged by Lessor. The service of the notice shall be a mandatory precedent to Lessor bringing any action, for any cause, and no action shall be brought until sixty (60) days after service of Lessor's notice on Lessee. Neither the service of the notice or the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform its obligations under the terms of this Lease. If this Lease is cancelled or terminated for any cause, it shall nevertheless remain in force and effect as to: (1) sufficient acreage around each well on which there are operations to constitute a drilling or maximum allowable or proration unit under applicable governmental regulations, the acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in the shape as then existing spacing rules require; and, (2) any part of the land included in a pooled unit on which there are operations. Lessee shall also continue to have all easements on all the land reasonably necessary to operations on the acreage retained.

10. Lessor hereby warrants and agrees to defend title to the leased premises against the claims of all persons whomsoever claiming all or any part of it. Lessor's rights and interests in the land shall be charged primarily with any mortgages, taxes, or other liens, or interest and other charges on the land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce them for Lessor, either before or after maturity, and be subrogated to the rights of the holder of the lien and to deduct amounts so paid from royalties or other moneys payable or which may become payable to Lessor and/or Lessor's assigns. If this Lease covers less interest in the oil, gas, or other minerals in all or any part of the land than the entire and undivided fee simple estate (whether Lessor's interest is specified or not), or no interest, then the royalties, and other moneys accruing from any part of the land in which this Lease covers less than the full interest, shall be paid only in the proportion which the Lessor's interest, if any, covered by this Lease, bears to the whole and undivided fee simple estate in the land. All royalty interest covered by this Lease (whether or not owned by Lessor) shall be paid out of the royalty provided for in this Lease. This Lease shall be binding on each party who executes it without regard to whether it is executed by all those that may be named as Lessor.

11. If, while this Lease is in force, at, or after the expiration of the primary term, it is not being continued in force by reason of the shut-in well provisions of paragraph 3., and Lessee is not conducting operations on the land by reason of (1) any law, order, rule, or regulation, (whether or not subsequently determined to be invalid) or, (2) any other cause, or force majeure, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date occurring ninety (90) or more days following the removal of the delaying cause, and this Lease may then be extended by operations as if the delay had not occurred.

12. Prior to the expiration of the primary term of this lease, Lessee shall have the right, but not the obligation, to extend the primary term of this lease - as to any acreage covered hereby and not otherwise being maintained by any other provision herein - for a period of two (2) additional years by paying an additional bonus of $400.00 per net mineral acre for any such lands. In the event this right to extend the primary term is exercised as herein provided, it shall be considered for all intents and purposes as though this Oil , Gas and Mineral Lease originally provided for a primary term of five (5) years from the date hereof.

This Lease is executed as of the date of the acknowledgment of the undersigned's signature, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Margaret Strain Mallard

Margaret Strain Mallard

INDIVIDUAL ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Tom Green

This instrument was acknowledged before me on the 23rd day of July, 2010, by Margaret Strain Mallard.

Carol Drew

Notary Public – Signature

CAROL DREW
Notary Public, State of Texas
My Commission Expires 10-25-2010

My Commission Expires: 10-25-2010

(PERSONALIZED SEAL)

ADDENDUM TO OIL, GAS, AND MINERAL LEASE

This Addendum is a part of that certain Oil, Gas and Mineral Lease dated July 19, 2010, by and between Margaret Strain Mallard, Lessor, and KEW Drilling, Lessee, covering all of Section 8, Block 2 H&GN RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, ("Lease"), to the same extent as if the provisions hereof had originally been written in the Lease. In the event of conflict between the Lease provisions and the provisions in this Addendum, the provisions of this Addendum shall prevail and be binding.

13. All royalty accruing under this Lease (including royalty paid in kind) shall be paid without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas, and other products produced from this Lease ready for sale or use.

14. The amount of shut-in royalty provided in Paragraph 3 shall be increased from "One Dollar ($1.00) for each acre" to "Fifty Dollars ($50.00) for each acre."

End of Addendum to Oil, Gas, and Mineral Lease

Signed for identification only

Margaret Strain Mallard

Margaret Strain Mallard

Certificate of Record

18.00 Recording Fee

Certified Copy Fee

18.00 Total Paid

Return to:

Carol Noonan

002552

COMPARED

FILED FOR RECORD

2010 AUG -5 AM 8 6

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 849 PAGE 127 DATE RECORDED 8/12/10

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By Dalia Holguin, Deputy

BEAR GRAPHICS, INC

B

Producers 88 (7/69-04) Paid Up Revised
Pooling Provision

Pound Printing Company, L.L.C.
P.O. Box 53010
Midland, TX 79710
1-800-526-3790 TX-1

OIL, GAS, AND MINERAL LEASE

THIS LEASE is made and entered into to be effective July 19, 2010, deemed the Effective Date, between Sidney Mallard, referred to as Lessor, (whether one or more), whose address is P.O. Box 2, San Angelo, TX 76902, and KEW Drilling, referred to as Lessee, whose address is 4925 Greenville Ave., Suite 500, Dallas, TX 75206.

1. Lessor, in consideration of Ten Dollars and other valuable consideration ($10.00 & OVC), the receipt and sufficiency of which is acknowledged, and for the royalties reserved in this Lease, GRANTS, LEASES, and LETS the lands described below, exclusively to Lessee, for the purpose of exploring, drilling, producing and owning, oil, gas, and all other minerals produced with them, and conducting all activities necessary or reasonably incident to the exploration for, operations in search of, and production of oil, gas, and other minerals. The lands subject to this Lease (referred to as the "land" or the "leased premises") are located in Reeves County, Texas, and are described as follows:

All of Section 8, Block 2 H&GN RR Co. Survey, Reeves County, Texas

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For the purpose of determining the amount of any bonus or other payments provided for in this Lease, the land shall be deemed to contain 640 acres, whether actually contain more or less. A recital of acreage in any tract shall be deemed to be the true acreage in a described tract. Lessor accepts the bonus as lump sum consideration for this Lease and all rights and options it provides.

2. This is a Paid-Up Lease. No payments are due under this Lease during the primary term, except for the payment of royalties. Unless sooner terminated or longer kept in force under any other of its provisions, this Lease shall remain in force for a term of Three (3) years from the Effective Date stated above, (the "primary term"), and as long thereafter as operations, as defined in this Lease, are conducted on the land with no cessation for more than ninety (90) consecutive days, or this Lease is maintained by any of its other provisions. If, at the end of the primary term Lessee has drilled and abandoned a well on the leased premises, or lands pooled with it, this Lease shall not terminate at the end of the primary term, if Lessee, within 180 days of the end of the end of the primary term, commences additional operations on the Leased premises, or lands pooled with it, which operations shall be deemed operations during the primary term of this Lease and serve to maintain it in full force and effect.

3. Lessor reserves as royalty, and Lessee agrees to pay Lessor as royalty on oil, other liquid hydrocarbons, and non-gaseous minerals produced and saved from the leased premises (the "oil"), 1/5 part of the net amount received by Lessee for the sale of the oil at the time it is run from the storage tanks, or into the pipeline to which the well or wells on the leased premises are connected. In either case, Lessor's interest shall bear the stated part of all taxes and costs of treating the oil to render it marketable. Lessee shall pay Lessor as royalty on gas and casinghead gas produced from the leased premises 1/5 of the net amount received by Lessee for the gas if sold at the wellhead, at a location on the leased premises, or on lands with which the leased premises are pooled, with Lessor's share of those proceeds to bear its proportionate share of all taxes and costs incurred by Lessee in delivering, processing, compressing, or otherwise making the gas merchantable or enhancing its marketability. On all other gas and casinghead gas, Lessee shall pay Lessor as royalty 1/5 of the net amount received by Lessee for the gas so sold, less its proportionate share of all costs of transportation, compression, processing, treating, and all other costs of marketing. For all gas sold, Lessor shall bear its proportionate share of all adjustments for heating content, shrinkage, and deductions for impurities. If, at the expiration of the primary term or at any later time or times, there is a well or wells on the land or on lands with which the land or any portion of it are pooled, or unitized, capable of producing oil or gas, and all the wells are shut-in, this Lease shall, nevertheless, continue in force as though operations were being conducted on the land for so long as the wells are shut-in, and Lessee pays the shut-in royalty provided below, and this Lease may be continued in force as if no shut-in had occurred. Lessee agrees to use reasonable diligence to produce, utilize, or market the oil and gas capable of being produced from the wells, but in the exercise of diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, shall not be required to settle labor trouble, or to market oil or gas on terms unacceptable to Lessee. If, at any time after the expiration of the primary term of this Lease, all the wells, oil or gas, on the leased premises, or lands pooled with it, are shut in and this Lease is not otherwise maintained in effect, Lessee may pay or tender, by its check or draft, as shut in royalty, an amount equal to One Dollar ($1.00) for each acre of land then covered by this Lease (the "shut-in royalty") on or before the end of each 12 month period during which all wells on the leased premises, or lands pooled with it, are shut in and oil or gas is not being produced, sold, or used, and this Lease is not otherwise being maintained. Each payment or tender shall be made to the parties, who at the time of payment, would be entitled to receive the royalties which would be paid under this Lease if the wells were producing, and may be paid directly to each party entitled to a payment, or deposited in the (payable directly to Lessor), or its successors, which shall continue as the depository bank for the parties, regardless of changes in the ownership of shut-in royalty. If at any time Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive payments, Lessee may, at its election, in lieu of any other method of payment, pay or tender the shut-in royalty, in the manner specified above, either jointly to the parties, or separately to each in accordance with their respective ownership. Any payment may be made by Lessee's check or draft, deposited in the mail or delivered to the party entitled to receive payment or to the depository bank provided for above, on or before the last date for payment. Lessee's failure to pay, or tender, or to properly pay or tender any sum due as shut in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this Lease. Nothing shall impair Lessee's right to deliver a release as provided in paragraph 5. below. In the event of an assignment of this Lease, in whole or in part, liability for any payments of any sums which may be due under this Lease shall rest exclusively on the then owner or owners of this Lease, severally, as to the acreage owned by each, and the original Lessee, or an assignee will have no obligation for royalties payable on production after an assignment to a subsequent or successor lessee or assignee.

4. At its option, Lessee is granted the right and authority to pool, unitize, or combine the land covered by this Lease or any portion of it as to oil and/or gas, with any other land covered by this Lease, and/or with any other land, lease, or leases in the immediate vicinity of the leased premises, when in Lessee's judgment it is necessary or advisable to do so in order to explore, develop, and operate the leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and/or gas in and under and that may be produced from the leased premises. Units pooled for oil shall not substantially exceed eighty (80) acres each in area, and units pooled for gas shall not substantially exceed one hundred sixty (160) acres each in area, plus, in both instances, a tolerance of ten percent (10%); provided, should a governmental authority having jurisdiction prescribe, allow, or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location, drilled either vertically or horizontally, to comply with existing or subsequently established field rules, or for obtaining a greater allowable from any well to be drilled, drilling, or already drilled, units created may conform substantially in size with those permitted, allowed, or prescribed by applicable governmental regulations, now in existence, or later enacted.

Lessee may pool or combine acreage covered by this Lease or any portion of it as to oil and/or gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the Lease is pooled or combined as to any other stratum or strata, and oil units need not conform to the area within gas units. Pooling in one or more instances shall not exhaust the rights of the Lessee to pool this Lease or portions of it into other units. On execution by Lessee of an instrument describing and designating the pooled acreage as a pooled unit, the unit shall be effective as to all parties, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in the unit. Lessee shall file the instrument for record in the appropriate records of the county in which the leased premises are located. Any unit formed may be revised, re-formed, increased or decreased in size, or changed in configuration, at the election of Lessee, at any time either before or after commencement of operations or production from the unit well. Lessee may, at any time, at its election, vacate, dissolve, or terminate any unit formed, by written instrument filed for record in the county where the land is located, which instrument shall specify the date of termination of the unit.

Lessee may exercise its right to pool at any time and from time to time, while this Lease is in force and effect, whether before or after commencing operations, completing an oil or gas well, or establishing production on the leased premises, or on any land pooled or unitized with the leased premises. Any operations for drilling on or production of oil or gas from a pooled unit which include all or a part of the leased premises, regardless of whether the operations for drilling were commenced, or the production was secured, before or after the execution of this Lease or the instrument designating the pooled unit, shall be considered operations for drilling on or production of oil and/or gas from land covered by this Lease, whether or not the well or wells is located on the leased premises. In that event, operations for drilling shall be deemed to have been commenced on the leased premises within the meaning of this Lease; and, the entire acreage constituting the unit or units, as to oil and/or gas, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this Lease.

For the purpose of computing the royalties to which owners of royalties and payments out of production shall be entitled on production of oil and/or gas from a pooled unit, there shall be allocated to the land covered by this Lease and included in a unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) a pro rata portion of the oil and/or gas, produced from the pooled unit after deducting that used for operations on the Lease or pooled unit. The allocation shall be on an acreage basis; i.e., there shall be allocated to the acreage covered by this Lease and included in the pooled unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) that pro rata portion of the oil and/or gas, produced from the pooled unit which the number of surface acres covered by this Lease (or in each separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties shall be computed on the portion of the production, whether it be oil or gas, allocated to the land covered by this Lease and included in the unit just as though the production were from the land. The production from an oil well will be considered as production from the Lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and, production from a gas well will be considered as production from the Lease or gas pooled unit from which it is producing and not from an oil pooled unit.

The formation of any unit shall not have the effect of changing the ownership of any shut-in royalty which may become payable under this Lease. If this Lease now or later covers separate tracts, no pooling or unitization of royalty interest as between any separate tracts is intended or shall be implied or result merely from the inclusion of the separate tracts within this Lease, but Lessee shall nevertheless have the right to pool, as provided above, with the consequent allocation of production as provided above. As used in this paragraph, the words "separate tract" mean any tract with royalty ownership differing, now or later, either as to parties or amounts, from that as to any other part of the leased premises.

5. Lessee may, at any time and from time to time, execute and deliver to Lessor, or file for record, a release or releases of this Lease as to all or any part of the land or of any mineral, depth, or horizon under the land, and immediately be relieved of all obligations, as to the released acreage or interest.

6. Whenever used in this Lease the word "operations" shall mean operations for any of the following: surface location preparation or maintenance; drilling; testing; completing; reworking; recompleting; deepening; plugging back or repairing of a well in search of or in an endeavor to obtain production of oil, gas, or other minerals; or production of oil, gas, or other mineral, whether or not in paying quantities.

7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from the land in all operations under the terms of this Lease. Lessee shall have the right, at any time, to remove all machinery and fixtures placed on the land, including the rights to draw and remove casing. Lessee shall pay for damages caused by its operations to growing crops and timber on the land.

8. The rights and estate of any party to this Lease may be assigned from time to time, in whole or in part, and as to any mineral, depths, or horizon. All of the covenants, obligations, and considerations of this Lease shall extend to and be binding on the parties to this Lease, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of the land, royalties, or other moneys, or any part of them, however affected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurements of production. Notwithstanding any other actual or constructive knowledge or notice to Lessee, its successors or assigns, no change or division in the ownership or the land, the royalties, other moneys, or the right to receive the same, however effected, shall be binding on the then record owner of this Lease until sixty (60) days after there has been furnished to the record owner at its principal place of business, by Lessor or Lessor's heirs, successors, or assigns, notice of the change or division of ownership, supported by either originals or certified copies of the instruments which have been properly filed for record which evidence the change or division of ownership, and of any applicable court records and proceedings, transcripts, or other documents necessary, in the opinion of the record owner, to establish the validity of the change or division of ownership. If any change in ownership occurs by reason of the death of an owner, Lessee may, nevertheless pay or tender the royalties, other moneys, or any part of them, to the credit of the decedent in the depository bank provided above.

9. In the event Lessor considers Lessee has not complied with all its obligations under this Lease, either express or implied, Lessor shall notify Lessee in writing, setting out specifically how Lessee is claimed to have breached this Lease. Lessee shall then have sixty (60) days after receipt of the notice within which to meet or commence to meet all or any part of the claimed breaches alleged by Lessor. The service of the notice shall be a mandatory precedent to Lessor bringing any action, for any cause, and no action shall be brought until sixty (60) days after service of Lessor's notice on Lessee. Neither the service of the notice or the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform its obligations under the terms of this Lease. If this Lease is cancelled or terminated for any cause, it shall nevertheless remain in force and effect as to: (1) sufficient acreage around each well on which there are operations to constitute a drilling or maximum allowable or proration unit under applicable governmental regulations, the acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in the shape as then existing spacing rules require; and, (2) any part of the land included in a pooled unit on which there are operations. Lessee shall also continue to have all easements on all the land reasonably necessary to operations on the acreage retained.

10. Lessor hereby warrants and agrees to defend title to the leased premises against the claims of all persons whomsoever claiming all or any part of it. Lessor's rights and interests in the land shall be charged primarily with any mortgages, taxes, or other liens, or interest and other charges on the land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce them for Lessor, either before or after maturity, and be subrogated to the rights of the holder of the lien and to deduct amounts so paid from royalties or other moneys payable or which may become payable to Lessor and/or Lessor's assigns. If this Lease covers less interest in the oil, gas, or other minerals in all or any part of the land than the entire and undivided fee simple estate (whether Lessor's interest is specified or not), or no interest, then the royalties, and other moneys accruing from any part of the land in which this Lease covers less than the full interest, shall be paid only in the proportion which the Lessor's interest, if any, covered by this Lease, bears to the whole and undivided fee simple estate in the land. All royalty interest covered by this Lease (whether or not owned by Lessor) shall be paid out of the royalty provided for in this Lease. This Lease shall be binding on each party who executes it without regard to whether it is executed by all those that may be named as Lessor.

11. If, while this Lease is in force, at, or after the expiration of the primary term, it is not being continued in force by reason of the shut-in well provisions of paragraph 3., and Lessee is not conducting operations on the land by reason of (1) any law, order, rule, or regulation, (whether or not subsequently determined to be invalid) or, (2) any other cause, or force majeure, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date occurring ninety (90) or more days following the removal of the delaying cause, and this Lease may then be extended by operations as if the delay had not occurred.

12. Prior to the expiration of the primary term of this lease, Lessee shall have the right, but not the obligation, to extend the primary term of this lease - as to any acreage covered hereby and not otherwise being maintained by any other provision herein - for a period of two (2) additional years by paying an additional bonus of $400.00 per net mineral acre for any such lands. In the event this right to extend the primary term is exercised as herein provided, it shall be considered for all intents and purposes as though this Oil, Gas and Mineral Lease originally provided for a primary term of five (5) years from the date hereof.

This Lease is executed as of the date of the acknowledgment of the undersigned's signature, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Sidney Mallard

Sidney Mallard

INDIVIDUAL ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Tom Green

This instrument was acknowledged before me on the 23rd day of July, 2010, by Sidney Mallard.

Carol Drew

Notary Public – Signature

CAROL DREW
Notary Public, State of Texas
My Commission Expires 10-25-2010

My Commission Expires: 10-25-2010

(PERSONALIZED SEAL)

ADDENDUM TO OIL, GAS, AND MINERAL LEASE

This Addendum is a part of that certain Oil, Gas and Mineral Lease dated July 19, 2010, by and between Sidney Mallard, Lessor, and KEW Drilling, Lessee, covering all of Section 8, Block 2 H&GN RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, ("Lease"), to the same extent as if the provisions hereof had originally been written in the Lease. In the event of conflict between the Lease provisions and the provisions in this Addendum, the provisions of this Addendum shall prevail and be binding.

13. All royalty accruing under this Lease (including royalty paid in kind) shall be paid without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas, and other products produced from this Lease ready for sale or use.

14. The amount of shut-in royalty provided in Paragraph 3 shall be increased from "One Dollar ($1.00) for each acre" to "Fifty Dollars ($50.00) for each acre."

End of Addendum to Oil, Gas, and Mineral Lease

Signed for identification only

Sidney Mallard

Sidney Mallard

Certificate of Record

18.00 Recording Fee

Certified Copy Fee

18.00 Total Paid

Return to:

Carol Noonan

002553

COMPARED

FILED FOR RECORD

2010 AUG -5 AM 8:56

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 849 PAGE 130 DATE RECORDED 8/12/10

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By: [signature], Deputy

BEAR GRAPHICS, INC

OIL AND GAS DIVISION ORDER

Date: 06/26/2013

TO: **APACHE CORPORATION ("Payor")**
ONE POST OAK CENTRAL
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056-4400

01967201/00001.1
ROBIN 8 #01H ALL

The undersigned severally and not jointly certifies it is the legal Owner of the interest(s) of all the oil (including all liquid hydrocrabons) and gas (including all casinghead and other gaseous hydrocarbons) produced from the property described on the attached EXHIBIT A.

The following provisions apply to each interest "Owner" who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest(s) set out on the attached EXHIBIT A. The Payor shall pay all parties pursuant to applicable state statutes regarding accumulation of proceeds and the lease or operating agreement between the parties or any other contract for the purchase of oil and gas. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. Deductions may be made for gathering, transportation, treating, conditioning, marketing and other post-production costs downstream of the wellhead, and for gross production, severance or other similar taxes on production or the proceeds thereof, as allowed by applicable law.

INDEMNITY: The Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to the Owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the Owner's interest to which Payor is made a party.

DISPUTE: WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the Owner, written notice shall be given to Payor by the Owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute that affects title to the division of interest credited herein, Payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The Owner agrees to notify Payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on Payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to Payor at the time the change occurs. Any change of interest shall be made effective on the first day of the month following receipt of such notice by Payor. Any correspondence regarding this agreement shall be furnished to the above address unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of the division order, an Owner may have certain statutory rights under the laws of the state of the property described on EXHIBIT A.

FAILURE TO FURNISH YOUR SOCIAL SECURITY OR TAX I.D. NUMBER WILL RESULT IN WITHHOLDING TAX IN ACCORDANCE WITH FEDERAL LAW. ANY TAX WITHHELD WILL NOT BE REFUNDABLE BY PAYOR AND WILL BE REMITTED TO THE INTERNAL REVENUE SERVICE.

NOTE: (1) DIVISION ORDERS FOR CORPORATIONS MUST BE EXECUTED BY AN AUTHORIZED OFFICER; (2) DIVISION ORDERS FOR INDIVIDUALS SHOULD BE WITNESSED BY TWO (2) DISINTERESTED THIRD PARTIES IN THE SPACES PROVIDED; (3) IF THE DIVISION ORDER IS SIGNED BY AN AGENT, ATTORNEY-IN-FACT, GUARDIAN, OR ANY PARTY OTHER THAN THE NAMED INTEREST OWNER, PLEASE FURNISH EVIDENCE OF THE RIGHTS VESTED IN THE SIGNATORY PARTY; (4) TO ENSURE PROMPT RECEIPT OF CHECKS, BE SURE YOUR MAILING ADDRESS, INCLUDING ZIP CODE, IS CORRECT AS SHOWN ON THIS DIVISION ORDER.

WITNESS NAME

SIGNATURE OF INTEREST OWNER

[redacted]

WITNESS NAME

SOCIAL SECURITY OR TAX ID NUMBER

STATE OF TEXAS

4326844404

OWNER TELEPHONE NUMBER

COMMISSIONER OF THE GENERAL LAND O
0085439001
STEPHEN F AUSTIN BUILDING
1700 NORTH CONGRESS AVENUE
AUSTIN TX US 78701

EXHIBIT A

APACHE CORPORATION
OIL AND GAS DIVISION ORDER

DATE: 6/26/2013

Property: 01967201/00001 ROBIN 8 #01H ALL

State: TEXAS County/Parish: REEVES

Venture Number: 026583

OWNER		INTEREST TYPE	EXC	INTEREST	EFF DATE
0085439001	STATE OF TEXAS	(RI) - ROYALTY INTEREST	01	0.06250000	12/1/2012

Legal Description:

TX REEVES H&GN RR CO ABST/ID# 5633 Blk 2 Sec 8

2.

File No. 115412

Lease

Date Filed: 06/26/17

Jerry E. Patterson, Commissioner

By

Drew Reid - RE: FW: Robin 8 #1H

From: "Hay, Jamie" <Jamie.Hay@apachecorp.com>
To: "drew.reid@glo.texas.gov" <drew.reid@glo.texas.gov>
Date: 6/26/2013 4:01 PM
Subject: RE: FW: Robin 8 #1H
Attachments: 4375_001.pdf; 4376_001.pdf; 4377_001.pdf

Drew,

Please see the attached recorded copies of the two Leases for the Robin 8 #1H in Reeves Co, TX. The Division Order Title Opinion shows the GLO with a 1/16 or 0.06250000 Non-Participating Royalty Interest on this property. I've also attached a copy of the Division Orders for your files illustrating the 0.06250000 RI.

Please let me know if you need anything further.
Thank you,
Jamie Hay
Division Order Analyst
Apache
EXPLORING WHAT'S POSSIBLE
2000 Post Oak Blvd, Ste 100
Houston, TX 77056-4400
Tel: (713)296-6553
Fax: (713)296-6453
Email: *jamie.hay@apachecorp.com*

From: Berry, Johnny
Sent: Wednesday, June 26, 2013 2:24 PM
To: Hay, Jamie
Subject: FW: FW: Robin 8 #1H

Jamie,

Will you please call Drew Reid at GLO and he will advise the documentation they need to issue a MF lease number for the Robin 8 #1H. His direct number is (512)-475-1534. According to Drew, GLO has a non-participation free royalty interest in this lease, but they haven't received the paperwork from Apache to set it up. Thanks.

Johnny B Berry
Apache Corporation
Compliance Accounting – Severance Tax
(713) 296-6762
Johnny.Berry@apachecorp.com

From: Drew Reid [mailto:Drew.Reid@GLO.TEXAS.GOV]
Sent: Wednesday, June 26, 2013 9:54 AM

To: Berry, Johnny
Subject: Re: FW: Robin 8 #1H

WHAT IS THE DESCRIPTION OF THE TRACT?

>>> "Berry, Johnny" <Johnny.Berry@apachecorp.com> 6/26/2013 5:54 AM >>>
Good morning Drew. Can you help me determine if GLO is an owner in the Robin 8 #1-H well? Per Susan Wauer the property is not leased. Does that mean GLO has and interest but it is not leased or that GLO does not have an interest? The API # is 42-389-335552. My Revenue Department is trying to pay GLO $52,000 for 5/2013 sales, but there is no home for it on GLO's system. Thanks.

Johnny B Berry
Apache Corporation
Compliance Accounting - Severance Tax
(713) 296-6762
Johnny.Berry@apachecorp.com

From: Susan Wauer [mailto:Susan.Wauer@GLO.TEXAS.GOV]
Sent: Tuesday, June 25, 2013 3:22 PM
To: Berry, Johnny
Subject: Re: Robin 8 #1H

Johnny,
I don't show that as being leased. Please have your land department contact Drew Reid in our Energy department at drew.reid@glo.texas.gov or 512-475-1534. He'll be able to help you out.

Susan

Susan Wauer
(512) 463.3889
susan.wauer@glo.texas.gov

>>> "Berry, Johnny" <Johnny.Berry@apachecorp.com> 6/25/2013 2:57 PM >>>
Good afternoon Susan. Can you give me the RRC/Permit# and GLO data for the Robin 8 #1H. First sales were in 05/2013 and the API # is 42-389- 33552. Thanks.

Johnny B Berry
Apache Corporation
Compliance Accounting - Severance Tax
(713) 296-6762
Johnny.Berry@apachecorp.com

5.

File No. 115412

Email

Date Filed: 06/26/14

Jerry E. Patterson, Commissioner

By ℒ

Well Masterfile Report

Wednesday, June 26, 2013

Select By : Completions

Sort By : None selected in Report Options.

Page No : 1
Report Number : R_038
Print Date : 6/26/2013, 5:40:01 AM

Completion Name : ROBIN 8 #01H

Completion Abrv	ROBIN 8 #01H	
TOW ID	42389335521	
Country	United States Of America	
State	TEXAS	
County	REEVES	
Bore	ROBIN 8 #01H	
Well Purpose	4/1/2013	Operated
Well Status	5/1/2013	Producing
Completion Type	4/1/2013	Production - Oil
Producing Method	4/1/2013	Pumping
Water Calculation	4/1/2013	Entered (Info Only-Sing. Well)
Stop Name / Route	ROBIN 8-2	NOT-04209-JONES, BRANDON
Field	MENTONE	
Reservoir	3RD BONE SPRING	
Formation		
Platform		
Prospect		
Gas Plant		
Reporting Lease	ROBIN 8-2	
Desk	Permian NoTrees ACTIVE WELLS/EQUIPMENT	
Operator	APACHE CORPORATION	
Organizational Assign		
Property		
Recovery		
Location	ROBIN 8 #01H	

Gathering System(s) Information

System Name	Effective Date	Major Product	Status	BTU Alloc	Daily Alloc
ROBIN 8-2 CTB OIL	5/1/2013	Oil	A		Y
ROBIN 8-2 CTB H2O	5/1/2013	Water	A		Y
ROBIN 8-2 CTB GAS	5/1/2013	Gas	A	Y	Y

API No. 42-389-33552 Drilling Permit # 753011 SWR Exception Case/Docket No.	**RAILROAD COMMISSION OF TEXAS** **OIL & GAS DIVISION** **APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER** *This facsimile W-1 was generated electronically from data submitted to the RRC.* *A certification of the automated data is available in the RRC's Austin office.*	**FORM W-1** 07/2004 Permit Status: Approved

1. RRC Operator No. 027200	2. Operator's Name (as shown on form P-5, Organization Report) APACHE CORPORATION	3. Operator Address (include street, city, state, zip):
4. Lease Name ROBIN 8	5. Well No. 1H	

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes): [X] New Drill [ ] Recompletion [ ] Reclass [ ] Field Transfer [ ] Re-Enter [ ] Amended [ ] Amended as Drilled (BHL) (Also File Form W-1D)

7. Wellbore Profile (mark ALL appropriate boxes): [ ] Vertical [X] Horizontal (Also File Form W-1H) [ ] Directional (Also File Form W-1D) [ ] Sidetrack

8. Total Depth: 12300

9. Do you have the right to develop the minerals under any right-of-way ? [X] Yes [ ] No

10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? [X] Yes [ ] No

SURFACE LOCATION AND ACREAGE INFORMATION

11. RRC District No.: 08

12. County: REEVES

13. Surface Location: [X] Land [ ] Bay/Estuary [ ] Inland Waterway [ ] Offshore

14. This well is to be located 16.9 miles in a SE direction from ORLA which is the nearest town in the county of the well site.

15. Section	16. Block	17. Survey	18. Abstract No.	19. Distance to nearest lease line:	20. Number of contiguous acres in lease, pooled unit, or unitized tract:
8	2	H&GN RR CO / STRAIN, C H	A-5633	467 ft.	640

21. Lease Perpendiculars: 567 ft from the NW line and 4115 ft from the SW line.

22. Survey Perpendiculars: 567 ft from the NW line and 4115 ft from the SW line.

23. Is this a pooled unit? [ ] Yes [X] No

24. Unitization Docket No:

25. Are you applying for Substandard Acreage Field? [ ] Yes (attach Form W-1A) [X] No

FIELD INFORMATION **List all fields of anticipated completion including Wildcat. List one zone per line.**

26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	12300	0.00	1
08	92100050	TWO GEORGES (BONE SPRING)	Oil Well	12300	0.00	1

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks

[FILER Dec 11, 2012 5:20 PM]: THANKS!; [RRC STAFF Dec 14, 2012 1:59 PM]: Changed nearest lease line distance per plat.; [RRC STAFF Dec 14, 2012 2:00 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Dec 14, 2012 2:00 PM]: Problems identified with this permit are resolved.

Certificate:

I certify that information stated in this application is true and complete, to the best of my knowledge.

Vicki Brown, Drlg. Engineering Tech — Name of filer

Dec 11, 2012 — Date submitted

(432)8181117 — Phone

vicki.brown@apachecorp.com — E-mail Address (OPTIONAL)

RRC Use Only Data Validation Time Stamp: Dec 14, 2012 2:26 PM('As Approved' Version)

Permit Status: Approved

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

Form W-1H 07/2004
Supplemental Horizontal Well Information

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.

Permit # 753011
Approved Date: Dec 14, 2012

1. RRC Operator No.	2. Operator's Name (exactly as shown on form P-5, Organization Report)	3. Lease Name	4. Well No.
027200	APACHE CORPORATION	ROBIN 8	1H

Lateral Drainhole Location Information

5. Field as shown on Form W-1 PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)

6. Section	7. Block	8. Survey	9. Abstract	10. County of BHL
8	2	H&GN RR CO / STRAIN, C H	5633	REEVES

11. Terminus Lease Line Perpendiculars
567 ft. from the NW line. and 9213 ft. from the SW line

12. Terminus Survey Line Perpendiculars
567 ft. from the NW line. and 9213 ft. from the SW line

13. Penetration Point Lease Line Perpendiculars
567 ft. from the NW line. and 4115 ft. from the SW line

5. Field as shown on Form W-1 TWO GEORGES (BONE SPRING) (Field # 92100050, RRC District 08)

6. Section	7. Block	8. Survey	9. Abstract	10. County of BHL
8	2	H&GN RR CO / STRAIN, C H	5633	REEVES

11. Terminus Lease Line Perpendiculars
567 ft. from the NW line. and 9213 ft. from the SW line

12. Terminus Survey Line Perpendiculars
567 ft. from the NW line. and 9213 ft. from the SW line

13. Penetration Point Lease Line Perpendiculars
567 ft. from the NW line. and 4115 ft. from the SW line

Apache

LEASE NAME & WELL NO.:

ROBIN 8 #1H

TOPOGRAPHY & VEGETATION:

NATURAL PASTURE

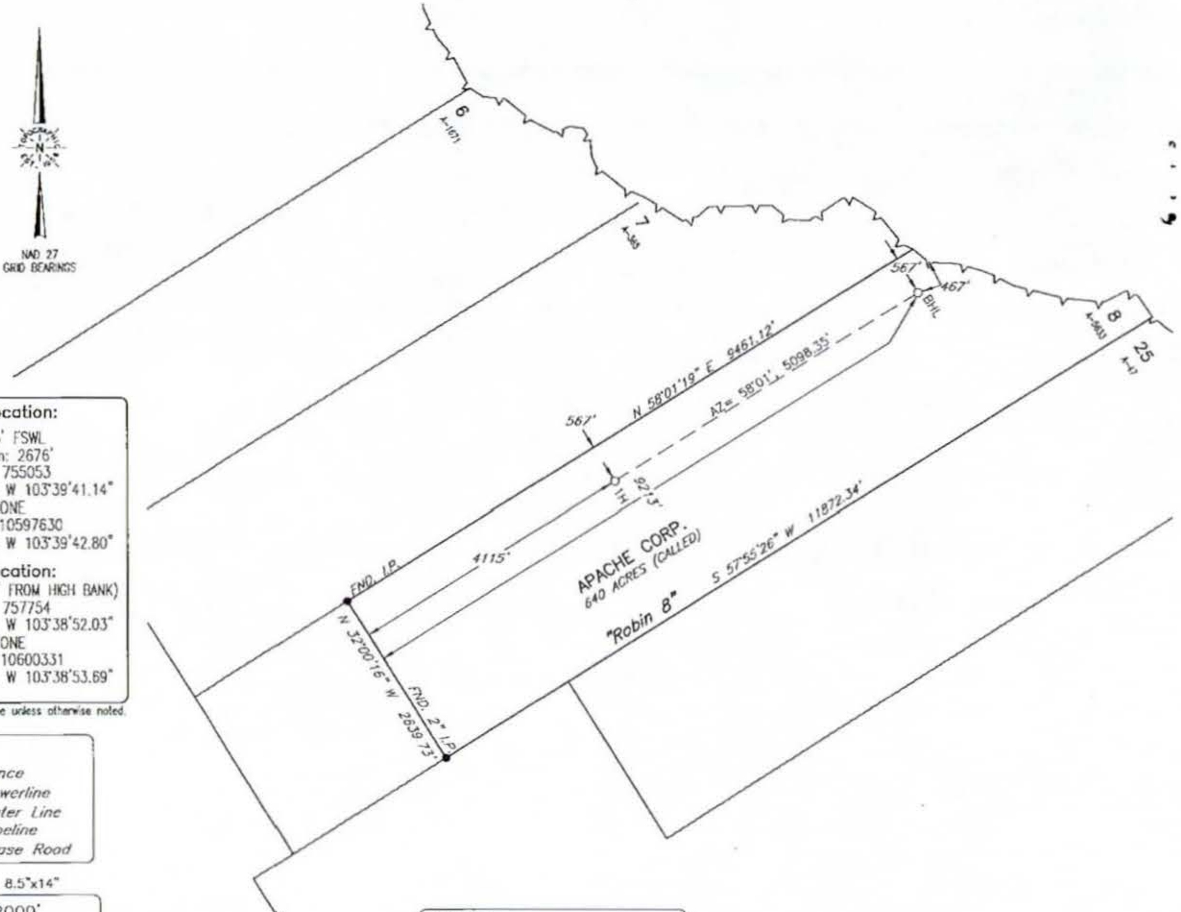
NEAREST TOWN IN COUNTY:

±16.9 MILES SOUTHEAST OF ORLA, TEXAS

DESCRIPTION:

SECTION 8, BLOCK 2, H. & G.N. RR. CO. SURVEY, A-5633
REEVES COUNTY, TEXAS

NAD 27
GRID BEARINGS



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us. This plat does not in any way represent a "Boundary Survey", and does not comply with correct T.B.P.L.S. Minimum Standards of Procedures for Boundary Surveys.

CERTIFICATION:

STATE OF TEXAS
REGISTERED
WILLIAM J. KEATING
5041
PROFESSIONAL LAND SURVEYOR

William J. Keating

Texas Reg. No. 5041

I, William J. Keating, a Registered Professional Land Surveyor, and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein. This plat is for Texas Railroad Commission permitting only.

Surface Hole Location:

567' FNWL & 4115' FSWL
SHL Ground Elevation: 2676'
X = 965072 Y = 755053
LAT.: N 31°42'00.56" LONG.: W 103°39'41.14"
NAD 83 TX-C ZONE
X = 1261535 Y = 10597630
LAT.: N 31°42'01.03" LONG.: W 103°39'42.80"

Bottom Hole Location:

567' FNWL & 9213' FSWL (467' FROM HIGH BANK)
X = 969396 Y = 757754
LAT.: N 31°42'28.55" LONG.: W 103°38'52.03"
NAD 83 TX-C ZONE
X = 1265859 Y = 10600331
LAT.: N 31°42'29.01" LONG.: W 103°38'53.69"

All Coordinates are in NAD 27 TX-C Zone unless otherwise noted.

LEGEND:

——X——	*Fence*
——E——	*Powerline*
——V——	*Water Line*
——\\——	*Pipeline*
=====	*Lease Road*

ORIGINAL DOC. SIZE: 8.5"x14"

SCALE:	1" = 2000'
DATE:	MAY 8, 2012
COGO:	628-94956
LO_ROBIN8_1HREV *REVISED: 12/11/12;EUO*	
DRAWN BY:	A.C.P.

TOPOGRAPHIC
SURVEYING • MAPPING • GIS • GPS
2903 N. BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 (800) 767-1653 • FAX (432) 682-1743

LEGEND:

——X——	*Fence*
——E——	*Powerline*
——V——	*Water Line*
——\\——	*Pipeline*
=====	*Lease Road*

4.

File No. 115412

BRC permit info

Date Filed: 06/26/13

Jerry E. Patterson, Commissioner

By

OIL AND GAS DIVISION ORDER

Date: 05/31/2013

TO: APACHE CORPORATION ("Payor")
ONE POST OAK CENTRAL
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056-4400

01967201/00001.1
ROBIN 8 #01H ALL

MF115412

The undersigned severally and not jointly certifies it is the legal Owner of the interest(s) of all the oil (including all liquid hydrocrabons) and gas (including all casinghead and other gaseous hydrocarbons) produced from the property described on the attached EXHIBIT A.

The following provisions apply to each interest "Owner" who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest(s) set out on the attached EXHIBIT A. The Payor shall pay all parties pursuant to applicable state statutes regarding accumulation of proceeds and the lease or operating agreement between the parties or any other contract for the purchase of oil and gas. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. Deductions may be made for gathering, transportation, treating, conditioning, marketing and other post-production costs downstream of the wellhead, and for gross production, severance or other similar taxes on production or the proceeds thereof, as allowed by applicable law.

INDEMNITY: The Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to the Owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the Owner's interest to which Payor is made a party

DISPUTE: WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the Owner, written notice shall be given to Payor by the Owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute that affects title to the division of interest credited herein, Payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, unti the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The Owner agrees to notify Payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on Payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to Payor at the time the change occurs. Any change of interest shall be made effective on the first day of the month following receipt of such notice by Payor. Any correspondence regarding this agreement shall be furnished to the above address unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of the division order, an Owner may have certain statutory rights under the laws of the state of the property described on EXHIBIT A.

FAILURE TO FURNISH YOUR SOCIAL SECURITY OR TAX I.D. NUMBER WILL RESULT IN WITHHOLDING TAX IN ACCORDANCE WITH FEDERAL LAW. ANY TAX WITHHELD WILL NOT BE REFUNDABLE BY PAYOR AND WILL BE REMITTED TO THE INTERNAL REVENUE SERVICE.

NOTE: (1) DIVISION ORDERS FOR CORPORATIONS MUST BE EXECUTED BY AN AUTHORIZED OFFICER; (2) DIVISION ORDERS FOR INDIVIDUALS SHOULD BE WITNESSED BY TWO (2) DISINTERESTED THIRD PARTIES IN THE SPACES PROVIDED; (3) IF THE DIVISION ORDER IS SIGNED BY AN AGENT, ATTORNEY-IN-FACT, GUARDIAN, OR ANY PARTY OTHER THAN THE NAMED INTEREST OWNER, PLEASE FURNISH EVIDENCE OF THE RIGHTS VESTED IN THE SIGNATORY PARTY; (4) TO ENSURE PROMPT RECEIPT OF CHECKS, BE SURE YOUR MAILING ADDRESS, INCLUDING ZIP CODE, IS CORRECT AS SHOWN ON THIS DIVISION ORDER.

SIGN AND RETURN COPY

WITNESS NAME

SIGNATURE OF INTEREST OWNER

WITNESS NAME

[redacted]

SOCIAL SECURITY OR TAX ID NUMBER

STATE OF TEXAS

4326844404

OWNER TELEPHONE NUMBER

COMMISSIONER OF THE GENERAL LAND O
0085439001
STEPHEN F AUSTIN BUILDING
1700 NORTH CONGRESS AVENUE
AUSTIN TX US 78701

EXHIBIT A

APACHE CORPORATION

OIL AND GAS DIVISION ORDER

DATE: 5/31/2013

Property: 01967201/00001 ROBIN 8 #01H ALL

State: TEXAS County/Parish: REEVES

Venture Number: 026583

OWNER		INTEREST TYPE	EXC	INTEREST	EFF DATE
0085439001	STATE OF TEXAS	(RI) - ROYALTY INTEREST	01	0.06250000	12/1/2012

Legal Description:

TX REEVES H&GN RR CO ABST/ID# 5633 Blk 2 Sec 8

File No. 115412

DIVISION ORDER

Date Filed: 04/05/13

Jerry E. Patterson, Commissioner

By

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Apache Corporation
2000 Post OAK Blvd Ste 100
Houston, TX
77056-4400

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Mike Gray ☐ Agent ☐ Addresse

B. Received by (Printed Name) Mike Grissy | C. Date of Deliver 8/14/201

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

MF115412
Andrea

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7011 1150 0001 2418 7782

PS Form 3811, February 2004 Domestic Return Receipt

UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Texas General Land Office
Jerry Patterson, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

21510

Texas General Land Office
Reconciliation Billing

Jerry Patterson, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
7:30 - 5:30 M-F

Apache Corporation
2000 Post Oak Blvd Ste 100
Houston, TX 77056-4400

Billing Date: 8/7/2014
Billing Due Date: 9/6/2014
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
14I00490	MF115412	$0.00	$2,339.26	$237.41	$83.13	$2,659.80
14I00491	MF115412	$6,792.91	$0.00	$679.29	$109.15	$7,581.35
Total Due		$6,792.91	$2,339.26	$916.70	$192.28	**$10,241.15**

Penalty and interest have been calculated thru 8/31/2014. Payment remitted after 8/31/2014 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or andrea.charlton@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing
Apache Corporation
Billing Date: 8/7/2014
Billing Due Date: 9/6/2014
Customer Number: C000023272

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
14I00490	MF115412	$0.00	$2,339.26	$237.41	$83.13	$2,659.80
14I00491	MF115412	$6,792.91	$0.00	$679.29	$109.15	$7,581.35
Total Due		$6,792.91	$2,339.26	$916.70	$192.28	**$10,241.15**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: APACHE CORPORATION
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$7,581.35	08/01/14	UNDER REPORTED/UNDER PAID VOLUMES.	7/30/2014	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000023272

Invoice Number:

GLO Lease: MF115412

GLO Review: APACHE CORPORATION

Review Period: JANUARY Through DECEMBER 2013

Auditor/AE: Acharito

Billing Date: 8/1/2014

P&I Calculation Date: 8/31/2014

Royalty Rate: 6.25%

Month / Year	RRC Number	(1) Gas Volume	(2) Tract Participation	(3) Price	(4) BTU	(5) Gross Value (1)X(2)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Interest Rate For Additional Royalty	(11) Penalty From Additional Royalty	(12) Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Dec-13	08-44585	24,408	1.000000	4.285242	1.039126	$108,686.54	$6,792.91	$0.00	$6,792.91	197	4.250000%	$679.29	$109.15	$7,581.35
TOTALS		24,408				$108,686.54	$6,792.91	$0.00	$6,792.91			$679.29	$109.15	$7,581.35

ATTN: JOHNNY BERRY

CERTIFIED MAIL: 7011 1150 0001 2418 7782

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAS BEEN UNDER PAID.

COLUMN (1) RRC VOLUME - REPRESENTS UNDER REPORTED RESIDUE PLANT SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-44585

COLUMN (2) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE

COLUMN (3) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE

COLUMN (10)(11)(12) SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3 REPORT FOR THIS PAYMENT.

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: APACHE CORPORATION
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$2,659.80	08/01/14	UNDER REPORTED/UNDER PAID VOLUMES.	7/30/2014	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000023272
Invoice Number:
GLO Lease: MF115412
GLO Review: APACHE CORPORATION
Review Period: JANUARY THROUGH DECEMBER 2013

Auditor/AE: Acharlto
Billing Date: 8/1/2014
P&I Calculation Date: 8/31/2014
Royalty Rate: 6.25%

Month / Year	RRC Number	(1) Oil Volume	(2) Tract Participation Rate	(3) Price	(4) Gross Value (1)X(2)x(3)	(5) Royalty Due (4) * Royalty Rate	(6) Royalty Paid	(7) Additional Royalty Due	(8) Number of Days Late	(9) Interest Rate For Additional Royalty	(10) Penalty From Additional Royalty	(11) Interest From Additional Royalty	Revenue Due (7)+(10)+(11)
May-13	08-44585	79.00	1	$ 94.572140	$7,471.20	$466.95	$0.00	$466.95	422	4.250000%	$46.70	$19.74	$533.39
Jun-13	08-44585	105.00	1	$ 91.691599	$9,627.62	$601.73	$0.00	$601.73	391	4.250000%	$60.17	$23.26	$685.16
Jul-13	08-44585	113.00	1	$ 100.617755	$11,369.81	$710.61	$0.00	$710.61	360	4.250000%	$71.06	$24.91	$806.58
Aug-13	08-44585	33.00	1	$ 104.311828	$3,442.29	$215.14	$0.00	$215.14	330	4.250000%	$25.00	$6.79	$246.93
Oct-13	08-44585	56.00	1	$ 98.521463	$5,517.20	$344.83	$0.00	$344.83	269	4.250000%	$34.48	$8.43	$387.74
TOTALS		386.00			$37,428.12	$2,339.26	$0.00	$2,339.26			$237.41	$83.13	$2,659.80

ATTENTION: JOHNNY BERRY
CERTIFIED MAIL : 7011 1150 0001 2418 7782

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAS BEEN UNDER PAID.

COLUMN (1) RRC VOLUME - REPRESENTS OIL DISPOSITIONS FROM RRC WELL PERMIT ID# 08-44585
COLUMN (3) PRICE - TAKEN FROM GLO PRODUCTION REPORTS TO THE TEXAS GENERAL LAND OFFICE.
COLUMN (10)(11)(12) SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3 REPORT FOR THIS PAYMENT.

ATTACHMENT III

SUMMARY OF PENALTY/ INTEREST ASSESSMENT RULES FOR DELINQUENT ROYALTIES AND DELINQUENT REQUIRED REPORTS OR DOCUMENTS

	Due Before 10/1/75 (Production prior to 8/1/75)	Due After 10/1/75 and Before 9/1/85 (Production 8/1/75 through 6/30/85)	Due After 9/1/85 (Production 7/1/85 through 12/31/09)	Due After 2/26/10 (Production 1/1/10 through present)
PENALTY (1) For delinquent royalty	None	The greater of 1% of the delinquent amount or $5.00 for each 30-day delinquency	(2) For delinquencies of 30 days or less, the greater of 5% of the delinquent amount or $25.00; for delinquencies of more than 30 days, the greater of 10% of the delinquent amount or $25.00	(2) For delinquencies of 30 days or less, the greater of 5% of the delinquent amount or $25.00; for delinquencies of more than 30 days, the greater of 10% of the delinquent amount or $25.00
For delinquent report, affidavit, or other document	None	$5.00 per document for each 30-day period of delinquency	$10.00 per document for each 30-day period of delinquency	$10.00 per document for each 30-day period of delinquency
INTEREST (2) For delinquent royalty	6% per year, simple; accrual begins 30 days after due date	6% per year, simple; accrual begins 30 days after due date	(3) 12% per year, simple; accrual begins 60 days after due date	(4) Prime plus 1% set on the first business day of each calendar year

(1) 31 TAC §9.51 (b) (3) (A)

(2) Penalties are not assessed in cases of title dispute as to the state's portion of the royalty or to royalty in dispute as to fair market value except when fraud is involved, in which case the fraud penalty is applicable. Penalty provisions are found at Tex Nat. Res. Code Ann §52.131 (e) (f) (h).

(3) Tex Nat. Res. Code Ann §52.131 (g)

(4) Per 31 TAC §9.51 (b) (3) (E), the interest rate on past due royalty is Wall Street Journal Prime plus 1%, to be adjusted annually.

Calendar Year	Prime Rate	Interest Rate
2010	3.25%	4.25%
2011	3.25%	4.25%
2012	3.25%	4.25%
2013	3.25%	4.25%
2014	3.25%	4.25%

A royalty payment that is not accompanied by the required royalty affidavit identifying the GLO lease number is delinquent, 31 TAC §9.51 (2) (B).
The state's power to forfeit a lease shall not be affected by the assessment or payment of any delinquency, penalty, or interest provided in 31 TAC §9.51 (b) (3) (D).

(6) File No. MF 115412

Reconciliation Billing

Date Filed: 9/2/14.

Jerry E. Patterson, Commissioner

By Nayda Ramirez

7003 2260 0003 0395 0392

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$	Postmark Here
Certified Fee		
Return Reciept Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	$	

MF 11542

*no Green card

Sent To
no green card

Street, Apt. No.; or PO Box No.

City, State, ZIP+4

PS Form 3800, June 2002 — See Reverse for Instructions

Certified Mail Provides:

PS Form 3800, June 2002 (Reverse)

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement *"Restricted Delivery"*.
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry. Internet access to delivery information is not available on mail addressed to APOs and FPOs.

Texas General Land Office
Limited Review Billing

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
7:30 - 5:30 M-F

Jerry Patterson, Commissioner

FILE COPY

Apache Corporation
2000 Post Oak Blvd Ste 100
Houston, TX 77056-4400

Billing Date: 4/9/2014
Billing Due Date: 5/9/2014
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
14I00342	MF115412	$22,480.81	$0.00	$2,264.43	$207.81	$24,953.05
14I00343	MF115412	$0.00	$2,465.93	$241.71	$47.29	$2,754.93
Total Due		$22,480.81	$2,465.93	$2,506.14	$255.10	**$27,707.98**

Penalty and interest have been calculated thru 4/30/2014. Payment remitted after 4/30/2014 will result in additional penalty and interest charges.

Contact Info: Mao-Ping Ku (512) 475-1507 or ping.ku@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Limited Review Billing
Apache Corporation
Billing Date: 4/9/2014
Billing Due Date: 5/9/2014
Customer Number: C000023272

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
14I00342	MF115412	$22,480.81	$0.00	$2,264.43	$207.81	$24,953.05
14I00343	MF115412	$0.00	$2,465.93	$241.71	$47.29	$2,754.93
Total Due		$22,480.81	$2,465.93	$2,506.14	$255.10	**$27,707.98**
Amt. Paid						

Customer ID: C000023272
Invoice Numbe 14I00343
GLO Lease: MF115412
GLO Review: APACHE CORPORATION
Review Period MAY 2013 THROUGH JAN 2014

Auditor/AE: mping
Billing Date: 4/3/2014
4/30/2014
6.25%

Month / Year	RRC Number	(1) Oil Volume	(2) Tract Participation Rate	(3) Price	(4) Gross Value (1)x(2)x(3)	(5) Royalty Due (4) * Royalty Rate	(6) Royalty Paid	(7) Additional Royalty Due	(8) Number of Days Late	(9) Interest Rate For Additional Royalty	(10) Penalty From Additional Royalty	(11) Interest From Additional Royalty	Revenue Due (7)+(10)+(11)
May-13	08-753011	79	1.000000	$ 94.5721	$7,471.20	$466.95	$0.00	$466.95	289	4.250000%	$46.69	$12.51	$526.15
Jun-13	08-753011	105	1.000000	$ 91.6916	$9,627.62	$601.73	$0.00	$601.73	258	4.250000%	$60.17	$13.94	$675.84
Jul-13	08-753011	113	1.000000	$ 100.6178	$11,369.81	$710.61	$0.00	$710.61	227	4.250000%	$71.06	$13.90	$795.57
Aug-13	08-753011	33	1.000000	$ 104.3118	$3,442.29	$215.14	$0.00	$215.14	197	4.250000%	$25.00	$3.46	$243.60
Oct-13	08-753011	63	1.000000	$ 98.5215	$6,206.85	$387.93	$0.00	$387.93	136	4.250000%	$38.79	$3.48	$430.20
Jan-14	08-753011	15	1.000000	$ 89.1436	$1,337.15	$83.57	$0.00	$83.57	46	4.250000%	$0.00	$0.00	$83.57
TOTALS		408			$39,454.92	$2,465.93	$0.00	$2,465.93			$241.71	$47.29	$2,754.93

COMMENTS: OPERATOR FAILED TO PAY ROYALTY ON SKIM LIQUID HYRDOCARBONS VOLUMES.

COLUMN (1) VOLUME : REPRESENTS SKIM LIQUID HYDROCARBON VOLUMES REPORTED TO THE RAILROAD COMMISSION.

COLUMN (3) PRICE : PRICES ARE OBTAINED FROM GLO-1 REPORTS SUBMITTED TO THE TX GENERAL LAND OFFICE.

COLUMN (9), (10), (11) :SEE ATTACHMENT III, SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3E REPORT FOR THIS PAYMENT.

ATTENTION: Johnny Berry
CERTIFIED MAIL NUMBER: 7003 2260 0003 0395 0392

Customer ID: C000023272
Invoice Numbe 14I00342
GLO Lease: MF115412
GLO Review: APACHE CORPORATION
Review Period MAY 2013 THROUGH JAN 2014

Auditor/AE: mping
Billing Date: 4/3/2014
P&I Calculation Date: 4/30/2014
Royalty Rate: 6.25%

Month / Year	RRC Numbe	(1) Gas Volume	(2) Tract Participation Rate	(3) Price	(4) BTU	(5) Gross Value (1)x(2)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Interest Rate For Additional Royalty	(11) Penalty From Additional Royalty	(12) Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
May-13	08-753011	36,183	1.000000	$ 3.005940	0.994569	$108,173.23	$6,760.83	$0.00	$6,760.83	289	4.250000%	$676.08	$181.06	$7,617.97
Sep-13	08-753011	400	1.000000	$ 3.460469	1.000000	$1,384.19	$86.51	$0.00	$86.51	166	4.250000%	$25.00	$1.08	$112.59
Nov-13	08-753011	11,989	1.000000	$ 3.439918	1.000000	$41,241.18	$2,577.57	$0.00	$2,577.57	105	4.250000%	$257.76	$13.81	$2,849.14
Dec-13	08-753011	24,408	1.000000	$ 4.285242	1.039126	$108,686.54	$6,792.91	$0.00	$6,792.91	74	4.250000%	$679.29	$11.86	$7,484.06
Jan-14	08-753011	21,858	1.000000	$ 4.408918	1.039822	$100,207.78	$6,262.99	$0.00	$6,262.99	46	4.250000%	$626.30	$0.00	$6,889.29
TOTALS		94,838				$359,692.91	$22,480.81	$0.00	$22,480.81			$2,264.43	$207.81	$24,953.05

COMMENTS: OPERATOR FAILED TO PAY ROYALTY ON VENTED /FLARED GAS AND LEASE FUEL USE VOLUMES.

COLUMN (1)
MAY-13: VOLUME REPRESENTS 37,920 VENTED/FLARED GAS MINUS 1,737 RESIDUE VOLUME THAT WAS REPORTED ON GLO-2.
SEP-13 AND NOV-13: VOLUMES REPRESENT VENTED/FLARED GAS REPORTED ON GLO-2.
DEC-13: REPRESENTS VENTED AND LEASE USE VOLUMES FROM RAILROAD COMMISSION RECORDS FOR PERMIT 08-753011.
JAN-14: REPRESENTS VENTED AND LEASE USE VOLUMES REPORTED ON GLO-2.

COLUMN (3) PRICE : PRICES ARE OBTAINED FROM GLO-2 REPORTS SUBMITTED TO THE TX GENERAL LAND OFFICE.

COLUMN (4) BTU : BTUS ARE OBTAINED FROM GLO-2 REPORTS SUBMITTED TO THE TX GENERAL LAND OFFICE.

COLUMN (10), (11), (12) :SEE ATTACHMENT III, SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

NOTE 1 : PAYMENT OF THIS INVOICE SHOULD BE SUBMITTED SEPARATELY FROM MONTHLY ROYALTY PAYMENTS, THE PAYMENT CAN BE SUBMITTED BY A HAND CHECK OR A WIRE, DO NOT SUBMIT THE GLO-3E REPORT FOR THIS PAYMENT.

ATTENTION: Johnny Berry
CERTIFIED MAIL NUMBER: 7003 2260 0003 0395 0392

(7)

File No. MF 115412

Reeves County

Limited Review Billing

Date Filed: 4/10/15.

George P. Bush, Commissioner

By Nayla Ramirez

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

APACHE CORPORATION
ATTN: TISH HOPE
2000 POST OAK BLVD.
STE 100
HOUSTON, TX
77056-4400

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery
2-29-16

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

MF 115412
James

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service 7011 1150 0001 2415 6726

PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-2509

UNITED STATES POSTAL SERVICE

TX 773
29 FEB '16
PM 2 L

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

RECEIVED

• Sender: Please print your name, address, and ZIP+4 in this box •

MAR 03 2016

Texas General Land Office
George P. Bush, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

General Land Office

21510

Texas General Land Office
Reconciliation Billing

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

George P. Bush, Commissioner

Apache Corporation
Attn: Tish Hope
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 2/22/2016
Billing Due Date: 3/23/2016
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00265	MF115412	$0.00	$12,465.21	$1,246.52	$536.43	$14,248.16
Total Due		$0.00	$12,465.21	$1,246.52	$536.43	**$14,248.16**

Penalty and interest have been calculated thru 2/29/2016. Payment remitted after 2/29/2016 will result in additional penalty and interest charges.

Contact Info: James Ybarbo (512) 463-5184 or James.Ybarbo@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Apache Corporation

Billing Date: 2/22/2016

Billing Due Date: 3/23/2016

Customer Number: C000023272

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00265	MF115412	$0.00	$12,465.21	$1,246.52	$536.43	$14,248.16
Total Due		$0.00	$12,465.21	$1,246.52	$536.43	**$14,248.16**
Amt. Paid						

Customer ID: C000023272
Invoice Number:
GLO Lease: MF115412
GLO Review: Apache Corporation
Review Period: Sept 2014 thru Dec 2014

Auditor/AE: Jybarbo
Billing Date: 2/18/2016
P&I Calculation Date: 2/29/2016
Royalty Rate: 6.25%

Month / Year	RRC Number	(1) Oil Volume	(2) Tract Participation Rate	(3) Price	(4) Gross Value (1)x(2)x(3)	(5) Royalty Due (4) * Royalty Rate	(6) Royalty Paid	(7) Additional Royalty Due	(8) Number of Days Late	(9) Interest Rate For Additional Royalty	(10) Penalty From Additional Royalty	(11) Interest From Additional Royalty	(13) Revenue Due (7)+(10)+(11)
Oct-14	08-47118	945.00	1.000000	$ 80.034335	$75,632.45	$4,727.03	$0.00	$4,727.03	451	4.250000%	$472.70	$215.76	$5,415.49
Nov-14	08-47118	1,556.00	1.000000	$ 66.467970	$103,424.16	$6,464.01	$0.00	$6,464.01	420	4.250000%	$646.40	$271.71	$7,382.12
Dec-14	08-47118	367.00	1.000000	$ 55.549550	$20,386.68	$1,274.17	$0.00	$1,274.17	389	4.250000%	$127.42	$48.96	$1,450.55
TOTALS		2,868.00			$199,443.29	$12,465.21	$0.00	$12,465.21			$1,246.52	$536.43	$14,248.16

COMMENTS: COLUMN (1) VOLUME : REPRESENTS THE UNDER REPORTED TRUCK OIL SALES VOLUME FOR 08-47118, 08-771063, 08-772432

COLUMN (3) PRICE : PER GLO-1 PRODUCTION REPORT.

COLUMN (10), (11), (12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

Oil TRUCKED VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC, VOLUMES WERE UNDER REPORTED TO THE GLO RESULTING IN UNDER PAID ROYALTY.

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM MONTHLY ROYALTY PAYMENTS. THE PREFERRED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

NOTE 2: NEED TO SUBMIT THE GLO-1 REPORT TO REFLECT THE ADDITIONAL ROYALTY DUE AMOUNT.

ATTENTION: TISH HOPE CERTIFIED MAIL : 70111150000124156726

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Jybarbo
Company Name: Apache Corporation
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Oil
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$14,248.16	02/18/16	Under Reported Volumes Billing	MM 2/19/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

Apache Corporation
Attn: Tish Hope
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 2/22/2016
Billing Due Date: 3/23/2016
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00264	MF115412	$91,581.01	$0.00	$9,184.47	$4,814.79	$105,580.27
Total Due		$91,581.01	$0.00	$9,184.47	$4,814.79	**$105,580.27**

Penalty and interest have been calculated thru 2/29/2016. Payment remitted after 2/29/2016 will result in additional penalty and interest charges.

Contact Info: James Ybarbo (512) 463-5184 or James.Ybarbo@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Apache Corporation

Billing Date: 2/22/2016

Billing Due Date: 3/23/2016

Customer Number: C000023272

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00264	MF115412	$91,581.01	$0.00	$9,184.47	$4,814.79	$105,580.27
Total Due		$91,581.01	$0.00	$9,184.47	$4,814.79	**$105,580.27**
Amt. Paid						

Customer ID: C000023272
Invoice Number:
GLO Lease: MF115412
GLO Review: Apache Corporation
Review Period: Jan thru Dec 2014

Auditor/AE: JYBARBO
Billing Date: 2/17/2016
P&I Calculation Date: 2/29/2016
Royalty Rate: 6.25%

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Month / Year	RRC Number	Gas Volume	Tract Participation Rate	Price	BTU	Gross Value (1)x(2)x(3)x(4)	Royalty Due (5) * Royalty Rate	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty From Additional Royalty	Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Jan-14	08-44585	419	1	$4.408918	1.039822	$1,920.90	$120.06	$0.00	$120.06	716	4.250000%	$25.00	$9.18	$154.24
Feb-14	08-44585	528	1	$6.134059	1.036241	$3,356.16	$209.76	$0.00	$209.76	685	4.250000%	$25.00	$15.29	$250.05
Mar-14	08-44585	64,798	1	$4.212236	1.253491	$342,133.43	$21,383.34	$0.00	$21,383.34	655	4.250000%	$2,138.33	$1,483.95	$25,005.62
Apr-14	08-44585	15,792	1	$4.378067	1.256658	$86,883.37	$5,430.21	$0.00	$5,430.21	624	4.250000%	$543.02	$357.24	$6,330.47
May-14	08-44585	1,836	1	$4.298577	1.017245	$8,028.29	$501.77	$0.00	$501.77	594	4.250000%	$50.18	$31.26	$583.21
Jun-14	08-44585	69,245	1	$4.385931	1.038330	$315,344.76	$19,709.05	$0.00	$19,709.05	563	4.250000%	$1,970.91	$1,156.62	$22,836.58
Jul-14	08-44585	2,685	1	$3.886728	1.000000	$10,435.86	$652.24	$0.00	$652.24	532	4.250000%	$65.22	$35.92	$753.38
Aug-14	08-44585	644	1	$3.747419	1.037882	$2,504.76	$156.55	$0.00	$156.55	502	4.250000%	$25.00	$8.08	$189.63
Sep-14	08-44585	1,582	1	$3.757314	1.037882	$6,169.24	$385.58	$0.00	$385.58	471	4.250000%	$38.56	$18.50	$442.64
Oct-14	08-44585	54,748	1	$3.564775	1.047192	$204,374.50	$12,773.41	$0.00	$12,773.41	441	4.250000%	$1,277.34	$568.15	$14,618.90
Nov-14	08-44585	3,416	1	$3.894901	1.046893	$13,928.89	$870.56	$0.00	$870.56	410	4.250000%	$87.06	$35.58	$993.20
Dec-14	08-44585	139,275	1	$3.203575	1.053875	$470,215.74	$29,388.48	$0.00	$29,388.48	379	4.250000%	$2,938.85	$1,095.02	$33,422.35
TOTALS		354,968				$1,465,295.91	$91,581.01	$0.00	$91,581.01			$9,184.47	$4,814.79	$105,580.27

COMMENTS: COLUMN (1) VOLUME : REPRESENTS THE UNDER REPORTED FOR LEASE FUEL & VENTED/FLARED VOLUMES FROM RRC'S 08-44585,08-46375, 08-45028, 08-47118, 08-771063, 08-772412, 08-772432, 08-772436

COLUMN (3), (4) PRICE & BTU: PER GLO-2 PRODUCTION REPORTS ON RESIDUE.

COLUMN (10), (11), (12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

LEASE FUEL & VENTED/FLARED VOLUMES REPORTED TO THE GLO WERE COMPARED TO LEASE FUEL & VENTED/FLARED REPORTED TO THE RRC, VOLUMES WERE UNDER REPORTED TO THE GLO RESULTING IN UNDER PAID ROYALTY.

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM MONTHLY ROYALTY PAYMENTS. THE PREFERRED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

NOTE 2: NEED TO SUBMIT THE GLO-2 AND GLO-3 REPORTS TO REFLECT THE ADDITIONAL ROYALTY DUE AMOUNT.

ATTENTION: TISH HOPE

CERTIFIED MAIL : 70111150000124156726

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: JYBARBO
Company Name: Apache Corporation
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Gas
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$105,580.27	02/17/16	Under Reported Volumes Billing	MM 2/19/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

(8)

File No. MF 115412

Reeves County

Reconciliation Billing

Date Filed: 3/16/16.

George P. Bush, Commissioner

By Nayda Ramirez

7015 1520 0000 6667 3191

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at *www.usps.com*®.

OFFICIAL USE

Certified Mail Fee $	Postmark Here MF115412
Extra Services & Fees *(check box, add fee as appropriate)* ☐ Return Receipt (hardcopy) $ ______ ☐ Return Receipt (electronic) $ ______ ☐ Certified Mail Restricted Delivery $ ______ ☐ Adult Signature Required $ ______ ☐ Adult Signature Restricted Delivery $ ______	
Postage $	
Total Postage and Fees **$**	

Sent To Apache Corporation

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 **See Reverse for Instructions**

Certified Mail service provides the following benefits:

- A receipt (this portion of the Certified Mail label).
- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
- A record of delivery (including the recipient's signature) that is retained by the Postal Service™ for a specified period.

Important Reminders:

- You may purchase Certified Mail service with First-Class Mail®, First-Class Package Service®, or Priority Mail® service.
- Certified Mail service is *not* available for international mail.
- Insurance coverage is *not* available for purchase with Certified Mail service. However, the purchase of Certified Mail service does not change the insurance coverage automatically included with certain Priority Mail items.
- For an additional fee, and with a proper endorsement on the mailpiece, you may request the following services:
  - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt;* attach PS Form 3811 to your mailpiece; for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.
  - Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
  - Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
  - Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

Customer ID: C000023272
Invoice Number: 16I00518
GLO Lease: MF115412
GLO Review: Apache Corporation
Review Period: JANUARY THROUGH AUGUST 2015

Auditor/AE: caswan
Billing Date: 7/1/2016
P&I Calculation Date: 7/31/2016
Royalty Rate: 6.25%

		(1)	(2)		(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
MF115412	RRC Number	Gas Volume	Tract Participation		BTU	Gross Value (1)X(2)x(3)x(4)	Royalty Due (5) * Royalty Rate	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty From Additional Royalty	Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Jan-15	08-44585	108,219	1.000000	$2.81	1.049726	$318,997.70	$19,937.36	$0.00	$19,937.36	504	4.250000%	$1,993.74	$1,033.06	$22,964.16
Feb-15	08-44585	92,362	1.000000	$2.46	1.06845	$243,184.36	$15,199.02	$0.00	$15,199.02	473	4.250000%	$1,519.90	$732.68	$17,451.60
Mar-15	08-44585	56,810	1.000000	$2.18	1.075129	$133,263.08	$8,328.94	$0.00	$8,328.94	443	4.250000%	$832.89	$372.41	$9,534.24
Apr-15	08-44585	34,596	1.000000	$2.04	1.059037	$74,743.31	$4,671.46	$0.00	$4,671.46	412	4.250000%	$467.15	$192.01	$5,330.62
May-15	08-44585	8,926	1.000000	$2.27	1.061464	$21,515.02	$1,344.69	$0.00	$1,344.69	382	4.250000%	$134.47	$50.57	$1,529.73
Jun-15	08-44585	29,960	1.000000	$2.28	1.043003	$71,177.35	$4,448.58	$0.00	$4,448.58	351	4.250000%	$444.86	$151.25	$5,044.69
Jul-15	08-44585	5,809	1.000000	$2.41	1.042994	$14,583.40	$911.46	$0.00	$911.46	320	4.250000%	$91.15	$27.70	$1,030.31
Aug-15	08-44585	51,899	1.000000	$2.36	1.042925	$127,846.39	$7,990.40	$0.00	$7,990.40	290	4.250000%	$799.04	$214.92	$9,004.36
TOTALS		388,581				$1,005,310.61	$62,831.91	$0.00	$62,831.91			$6,283.20	$2,774.60	$71,889.71

ATTN: JOHNNY BERRY

CERTIFIED MAIL: 7015 1520 0000 6667 3191

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WERE COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAVE BEEN UNDER PAID.

COLUMN (1) VOLUME REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-44585, 08-45028, and 08-47118
COLUMN (3) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (4) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE

COLUMN (10)(11)(12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

Customer ID:	**C000023272**
Invoice Number:	**16I00519**
GLO Lease:	**MF115412**
GLO Review:	**Apache Corporation**
Review Period:	**JANUARY THROUGH AUGUST 2015**

Auditor/AE:	caswan
Billing Date:	7/7/2016
P&I Calculation Date:	7/31/2016
Royalty Rate:	6.25%

Month / Year	RRC Number	(1) Oil Volume	(2) Tract Participation Rate	(3) Price	(4) Gross Value (1)X(2)x(3)	(5) Royalty Due (4) * Royalty Rate	(6) Royalty Paid	(7) Additional Royalty Due	(8) Number of Days Late	(9) Interest Rate For Additional Royalty	(10) Penalty From Additional Royalty	(11) Interest From Additional Royalty	Revenue Due (7)+(10)+(11)
Jan-15	08-44585	56,466.00	1	$42.43	$2,395,637.08	$149,727.32	$144,771.79	$4,955.53	514	4.250000%	$495.55	$262.54	$5,713.62
Jul-15	08-44585	43,513.00	1	$47.06	$2,047,770.60	$127,985.66	$124,249.67	$3,735.99	330	4.250000%	$373.60	$117.89	$4,227.48
TOTALS		99,979.00			$4,443,407.68	$277,712.98	$269,021.46	$8,691.52			$869.15	$380.43	$9,941.10

ATTENTION: JOHNNY BERRY
CERTIFIED MAIL : 7015 1520 0000 6667 3191

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WERE COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAVE BEEN UNDER PAID.

COLUMN (1) VOLUME REPRESENTS REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-44585, 08-45028, and 08-47118
COLUMN (3) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (10)(11)(12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

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Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

COPY

Apache Corporation
Attn: Tish Hope
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 7/11/2016
Billing Due Date: 8/10/2016
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00518	MF115412	$62,831.91	$0.00	$6,283.20	$2,774.60	$71,889.71
Total Due		$62,831.91	$0.00	$6,283.20	$2,774.60	**$71,889.71**

Penalty and interest have been calculated thru 7/31/2016. Payment remitted after 7/31/2016 will result in additional penalty and interest charges.

Contact Info: Conroy A. Swan (512) 463-9084 or Conroy.Swan@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Apache Corporation

Billing Date: 7/11/2016

Billing Due Date: 8/10/2016

Customer Number: C000023272

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00518	MF115412	$62,831.91	$0.00	$6,283.20	$2,774.60	$71,889.71
Total Due		$62,831.91	$0.00	$6,283.20	$2,774.60	**$71,889.71**
Amt. Paid						

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

Apache Corporation
Attn: Tish Hope
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 7/11/2016
Billing Due Date: 8/10/2016
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00519	MF115412	$0.00	$8,691.52	$869.15	$380.43	$9,941.10
Total Due		$0.00	$8,691.52	$869.15	$380.43	**$9,941.10**

Penalty and interest have been calculated thru 7/31/2016. Payment remitted after 7/31/2016 will result in additional penalty and interest charges.

Contact Info: Conroy A. Swan (512) 463-9084 or Conroy.Swan@GLO.TEXAS.GOV

NOTICE

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This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Apache Corporation

Billing Date: 7/11/2016

Billing Due Date: 8/10/2016

Customer Number: C000023272

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00519	MF115412	$0.00	$8,691.52	$869.15	$380.43	$9,941.10
Total Due		$0.00	$8,691.52	$869.15	$380.43	**$9,941.10**
Amt. Paid						

9

File No. MF115412

Reeves County

Billing Recon

Date Filed: 10/5/16

George P. Bush, Commissioner

By

7015 1520 0000 6667 3443

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at *www.usps.com*®.

OFFICIAL USE

Certified Mail Fee $	Postmark Here
Extra Services & Fees *(check box, add fee as appropriate)* ☐ Return Receipt (hardcopy) $ ☐ Return Receipt (electronic) $ ☐ Certified Mail Restricted Delivery $ ☐ Adult Signature Required $ ☐ Adult Signature Restricted Delivery $	
Postage $	MF 115412
Total Postage and Fees $	ATTN: Josh Perez

Sent To Apache Corporation

Street and Apt. No., or PO Box No. 2000 Post Oak Blvd STE 100

City, State, ZIP+4® Houston, TX 77056-4400

PS Form 3800, April 2015 PSN 7530-02-000-9047 **See Reverse for Instructions**

Certified Mail service provides the following benefits:

- A receipt (this portion of the Certified Mail label).
- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
- A record of delivery (including the recipient's signature) that is retained by the Postal Service™ for a specified period.

Important Reminders:

- You may purchase Certified Mail service with First-Class Mail®, First-Class Package Service®, or Priority Mail® service.
- Certified Mail service is *not* available for international mail.
- Insurance coverage is *not* available for purchase with Certified Mail service. However, the purchase of Certified Mail service does not change the insurance coverage automatically included with certain Priority Mail items.
- For an additional fee, and with a proper endorsement on the mailpiece, you may request the following services:
  - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt;* attach PS Form 3811 to your mailpiece; for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.
  - Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
  - Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
  - Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

COPY

Apache Corporation
Attn: Josh Perez
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 8/21/2017
Billing Due Date: 9/20/2017
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
17I00485	MF115412	$46,799.32	$0.00	$4,679.91	$2,749.84	$54,229.07
Total Due		$46,799.32	$0.00	$4,679.91	$2,749.84	**$54,229.07**

Penalty and interest have been calculated thru 8/31/2017. Payment remitted after 8/31/2017 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or Andrea.Charlton@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

Apache Corporation

Billing Date: 8/21/2017

Billing Due Date: 9/20/2017

Customer Number: C000023272

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
17I00485	MF115412	$46,799.32	$0.00	$4,679.91	$2,749.84	$54,229.07
Total Due		$46,799.32	$0.00	$4,679.91	$2,749.84	**$54,229.07**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: APACHE CORPORATION
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$54,229.07	08/17/17	Under reported/paid sales volumes	MM 8/18/2017	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID:	C000023272	**Category**	Gas
Invoice Number:		**Auditor/AE:**	Acharito
GLO Lease:	MF115412	**Billing Date:**	8/17/2017
GLO Review:	APACHE CORPORATION	**P&I Calculation Date:**	8/31/2017
Review Period:	201509-201608	**Royalty Rate:**	6.25%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	**RRC Number**	**Gas/Oil Volume**	**Tract Particip**	**Price**	**BTU**	**Gross Value**	**Royalty Due**	**Royalty Paid**	**Additional Ro**	**Number of Da**	**Interest Rate For**	**Penalty Rate Fror**	**Interest Rate Fror**	**Revenue Due**
Sep-15	08-44585	24,619	1.00000000	2.489702	1.006544	$61,695.08	$3,855.94	$0.00	$3,855.94	655	4.25%	$385.59	$267.59	$4,509.12
Oct-15	08-44585	73,247	1.00000000	2.215843	1.042994	$169,281.94	$10,580.12	$0.00	$10,580.12	625	4.25%	$1,058.01	$697.27	$12,335.40
Nov-15	08-44585	11,674	1.00000000	1.984389	1.042994	$24,161.75	$1,510.11	$0.00	$1,510.11	594	4.50%	$151.01	$99.61	$1,760.73
Dec-15	08-44585	40,268	1.00000000	1.913703	1.043004	$80,374.92	$5,023.43	$0.00	$5,023.43	563	4.50%	$502.34	$312.14	$5,837.91
Jan-16	08-44585	96,959	1.00000000	2.201072	1.042994	$222,589.25	$13,911.83	$0.00	$13,911.83	534	4.50%	$1,391.18	$814.70	$16,117.71
Feb-16	08-44585	31,677	1.00000000	1.766055	1.043004	$58,349.11	$3,646.82	$0.00	$3,646.82	503	4.50%	$364.68	$199.63	$4,211.13
Mar-16	08-44585	17,416	1.00000000	1.52037	1	$26,478.76	$1,654.92	$0.00	$1,654.92	473	4.50%	$165.49	$84.47	$1,904.88
Apr-16	08-44585	26,540	1.00000000	1.704179	1.026196	$46,413.73	$2,900.86	$0.00	$2,900.86	442	4.50%	$290.09	$136.98	$3,327.93
May-16	08-44585	6,192	1.00000000	1.714318	1	$10,615.06	$663.44	$0.00	$663.44	412	4.50%	$66.34	$28.87	$758.65
Jun-16	08-44585	6,304	1.00000000	2.347065	1	$14,795.90	$924.74	$0.00	$924.74	381	4.50%	$92.47	$36.71	$1,053.92
Jul-16	08-44585	5,728	1.00000000	2.588338	1	$14,826.00	$926.63	$0.00	$926.63	350	4.50%	$92.66	$33.24	$1,052.53
Aug-16	08-44585	7,444	1.00000000	2.580283	1	$19,207.63	$1,200.48	$0.00	$1,200.48	320	4.50%	$120.05	$38.63	$1,359.16
TOTALS		**348,068**				**$748,789.13**	**$46,799.32**	**$0.00**	**$46,799.32**			**$4,679.91**	**$2,749.84**	**$54,229.07**

ATTN: Johnny Berry
CERTIFIED MAIL: 7015 1520 0000 6667 3443

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WERE COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAVE BEEN UNDER PAID.

COLUMN (3) RRC VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-44585 08-45028 08-47118 08-47312
COLUMN (5) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (6) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (13)(14)(15) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

(10)

File No. MF 115412

County

Recon Billing

Date Filed: 8/24/17

George P. Bush, Commissioner

By AT

7015 1520 0000 6667 3269

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at *www.usps.com*®.

OFFICIAL USE

Certified Mail Fee $	Postmark Here MF 115412
Extra Services & Fees *(check box, add fee as appropriate)* ☐ Return Receipt (hardcopy) $ ______ ☐ Return Receipt (electronic) $ ______ ☐ Certified Mail Restricted Delivery $ ______ ☐ Adult Signature Required $ ______ ☐ Adult Signature Restricted Delivery $ ______	
Postage $	
Total Postage and Fees $	

Sent To
APACHE CORPORATION

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 **See Reverse for Instructions**

Certified Mail service provides the following benefits:

- A receipt (this portion of the Certified Mail label).
- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
- A record of delivery (including the recipient's signature) that is retained by the Postal Service™ for a specified period.

Important Reminders:

- You may purchase Certified Mail service with First-Class Mail®, First-Class Package Service®, or Priority Mail® service.
- Certified Mail service is *not* available for international mail.
- Insurance coverage is *not* available for purchase with Certified Mail service. However, the purchase of Certified Mail service does not change the insurance coverage automatically included with certain Priority Mail items.
- For an additional fee, and with a proper endorsement on the mailpiece, you may request the following services:
  - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt;* attach PS Form 3811 to your mailpiece; for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.
  - Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
  - Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
  - Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

APACHE CORPORATION
ATTN: Josh PEREZ
2000 Post Oak Blvd
STE. 100
HOUSTON, TX 77056-4400

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature]
☒ Agent
☐ Addressee

B. Received by (Printed Name)
Roger Rollins

C. Date of Delivery
11-28-16

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

7015 1520 0000 6667 3269

PS Form 3811, February 2004 Domestic Return Receipt 10259

UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

Texas General Land Office
Jerry Patterson, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873 **21510**

MF 115412 ATTN A. CHARLTON

Texas General Land Office
Limited Review Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

Apache Corporation
Attn: Josh Perez
2000 Post Oak Blvd Suite 100
Houston, TX 77056-4400

Billing Date: 11/22/2016
Billing Due Date: 12/22/2016
Customer Number: C000023272

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
17I00116	MF115412	$377,801.14	$0.00	$37,921.57	$28,288.41	$444,011.12
Total Due		$377,801.14	$0.00	$37,921.57	$28,288.41	**$444,011.12**

Penalty and interest have been calculated thru 11/30/2016. Payment remitted after 11/30/2016 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or acharlto@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Limited Review Billing

Apache Corporation

Billing Date: 11/22/2016

Billing Due Date: 12/22/2016

Customer Number: C000023272

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
17I00116	MF115412	$377,801.14	$0.00	$37,921.57	$28,288.41	$444,011.12
Total Due		$377,801.14	$0.00	$37,921.57	$28,288.41	**$444,011.12**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: APACHE CORPORATION
Customer Number: C000023272
Mineral File #: MF115412
Transaction Type: Limited Review
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$444,011.12	11/21/16	Non-payment on Vented & Flared Volumes	MM 11/21/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000023272
Invoice Number:
GLO Lease: MF115412
GLO Review: APACHE CORPORATION
Review Period: January thru August 2015

Category Gas
Auditor/AE: Acharito
Billing Date: 11/21/2016
P&I Calculation Date: 11/30/2016
Royalty Rate: 6.25%

(1) Month / Year	(2) RRC Number	(3) Gas/Oil Volume	(4) Tract Particip	(5) Price	(6) BTU	(7) Gross Value	(8) Royalty Due	(9) Royalty Paid	(10) Additional Ro	(11) Number of Da	(12) Interest Rate For	(13) Penalty Rate Fror	(14) Interest Rate Fror	(15) Revenue Due
Feb-14	08-47118	427	1.00000000	$6.134059	1.036241	$2,714.17	$169.64	$0.00	$169.64	960	4.25%	$25.00	$17.80	$212.44
Mar-14	08-47118	64,789	1.00000000	$4.212236	1.253491	$342,085.91	$21,380.37	$0.00	$21,380.37	930	4.25%	$2,138.04	$2,168.35	$25,686.76
Apr-14	08-47118	46,744	1.00000000	$4.378067	1.256658	$257,173.00	$16,073.31	$0.00	$16,073.31	899	4.25%	$1,607.33	$1,572.10	$19,252.74
May-14	08-47118	68,470	1.00000000	$4.298577	1.256658	$369,864.07	$23,116.50	$0.00	$23,116.50	869	4.25%	$2,311.65	$2,180.23	$27,608.38
Jun-14	08-47118	56,708	1.00000000	$4.385954	1.038330	$258,252.07	$16,140.75	$0.00	$16,140.75	838	4.25%	$1,614.08	$1,464.05	$19,218.88
Jul-14	08-47118	101,503	1.00000000	$3.886872	1.000000	$394,529.17	$24,658.07	$0.00	$24,658.07	807	4.25%	$2,465.81	$2,147.62	$29,271.50
Aug-14	08-47118	108,211	1.00000000	$3.747419	1.037882	$420,873.56	$26,304.60	$0.00	$26,304.60	777	4.25%	$2,630.46	$2,199.14	$31,134.20
Sep-14	08-47118	108,562	1.00000000	$3.756165	1.037882	$423,224.18	$26,451.51	$0.00	$26,451.51	746	4.25%	$2,645.15	$2,115.94	$31,212.60
Oct-14	08-47118	208,407	1.00000000	$3.563494	1.047192	$777,704.57	$48,606.54	$0.00	$48,606.54	716	4.25%	$4,860.65	$3,718.40	$57,185.59
Nov-14	08-47118	148,340	1.00000000	$3.894901	1.046893	$604,862.96	$37,803.94	$0.00	$37,803.94	685	4.25%	$3,780.39	$2,755.54	$44,339.87
Dec-14	08-47118	202,033	1.00000000	$3.206007	1.053875	$682,615.08	$42,663.44	$0.00	$42,663.44	654	4.25%	$4,266.34	$2,955.76	$49,885.54
Jan-15	08-47118	70,147	1.00000000	$2.808071	1.049726	$206,772.67	$12,923.29	$0.00	$12,923.29	626	4.25%	$1,292.33	$853.20	$15,068.82
Feb-15	08-47118	57,560	1.00000000	$2.464269	1.068450	$151,552.50	$9,472.03	$0.00	$9,472.03	595	4.25%	$947.20	$591.16	$11,010.39
Mar-15	08-47118	110,797	1.00000000	$2.181785	1.075129	$259,896.56	$16,243.53	$0.00	$16,243.53	565	4.25%	$1,624.35	$957.03	$18,824.91
Apr-15	08-47118	77,790	1.00000000	$2.039925	1.059037	$168,054.10	$10,503.38	$0.00	$10,503.38	534	4.25%	$1,050.34	$580.92	$12,134.64
May-15	08-47118	56,765	1.00000000	$2.270804	1.061464	$136,825.03	$8,551.56	$0.00	$8,551.56	504	4.25%	$855.16	$443.10	$9,849.82
Jun-15	08-47118	72,612	1.00000000	$2.277794	1.043003	$172,507.67	$10,781.73	$0.00	$10,781.73	473	4.25%	$1,078.17	$519.74	$12,379.64
Jul-15	08-47118	60,009	1.00000000	$2.406959	1.042994	$150,649.22	$9,415.58	$0.00	$9,415.58	442	4.25%	$941.56	$419.90	$10,777.04
Aug-15	08-47118	31,989	1.00000000	$2.361981	1.042925	$78,800.71	$4,925.04	$0.00	$4,925.04	412	4.25%	$492.50	$202.43	$5,619.97
Sep-15	08-47118	5,280	1.00000000	$2.489702	1.005544	$13,218.51	$826.16	$0.00	$826.16	381	4.25%	$82.62	$30.98	$939.76
Oct-15	08-47118	63,944	1.00000000	$2.177215	1.042994	$145,205.45	$9,075.34	$0.00	$9,075.34	351	4.25%	$907.53	$308.56	$10,291.43
Nov-15	08-47118	(10,315)	1.00000000	$1.984389	1.042994	($21,349.02)	($1,334.31)	$0.00	($1,334.31)	320	4.50%	$0.00	$0.00	($1,334.31)
Dec-15	08-47118	24,448	1.00000000	$1.913232	1.043004	$48,786.19	$3,049.14	$0.00	$3,049.14	289	4.50%	$304.91	$86.46	$3,440.51
TOTALS		**1,735,220**				**$6,044,818.35**	**$377,801.14**	**$0.00**	**$377,801.14**			**$37,921.57**	**$28,288.41**	**$444,011.12**

ATTN: Johnny Berry
CERTIFIED MAIL: 7015 1520 0000 6667 3269

COMMENTS: VENTED & FLARED SALES VOLUMES REPORTED TO THE GLO WERE COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAVE BEEN UNDER PAID.
PREVIOUS BILLINGS ON THIS LEASE, INVOICES 16I00264 AND 16I00518 WERE CANCELLED. THE TIME PERIODS COVERED BY THOSE INVOICES WERE INCORPORATED INTO THIS REVIEW.

COLUMN (3) RRC VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-47118 08-46375 08-45028
COLUMN (5) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (6) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (13)(14)(15) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

(11)

File No. MF 115412

County

Review Billing

Date Filed: 1/26/18

George P. Bush, Commissioner

By AT