

LAWYERS

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2017 NOV -1 P 3 05

October 30, 2017

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Via E-Mail & U.S. Mail florene.davidson@state.nm.us

Florene Davidson NM Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Case 15874

Re: APPLICATION OF APACHE CORPORATION FOR APPROVAL OF THE THUNDERBIRD UNIT, IN EDDY COUNTY, NEW MEXICO

Dear Ms. Davidson:

Enclosed please find three copies of Apache Corporation's Application for the Thunderbird Unit which was sent to you for filing via e-mail Monday, October 30, 2017. Apache requests that the Application be heard on the Division's November 30, 2017 docket.

Thank you for your assistance. Please contact me if you have any questions.

Since

ff E. DeBrine, Jr.

EED/kta/W3077225.DOC Enclosures cc w/encl.: Jennifer L. Bradfute

Modrall Sperling Roehl Harris & Sisk P.A.

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

APPLICATION OF APACHE CORPORATION FOR APPROVAL OF THE THUNDERBIRD UNIT, IN EDDY COUNTY, NEW MEXICO.

CASE NO. 15874

APPLICATION

Apache Corporation, ("Apache") by and through its attorneys, Modrall, Sperling, Roehl, Harris & Sisk, P.A., files this application with the Oil Conservation Division for an order approving its Thunderbird Resource Development Unit pursuant to 19.15.20.14 NMAC. In support of its application, Apache states:

1. The proposed Unit Area for the Unit consists of approximately 3,198.44 acres of federal and state lands situated in Eddy County, New Mexico, described as follows:

Township 16 South, Range 30 East, N.M.P.M.

Section 32: E/2 Section 33: All Section 34: All Section 35: All Section 36: S/2

Township 17 South, Range 30 East, N.M.P.M.

Section 4: All

2. Apache (OGRID No. 873) is the designated operator under the Unit Agreement. The unitized interval is the stratigraphic equivalent of the top of the Yeso formation encountered at a measured depth of 4,233' down to the

stratigraphic equivalent of the top of the Tubb formation at a measured depth of 5,554' as encountered in the Aspen Federal Com #1 well (API No. 30-015-31656) located in NE/4SW/4, Section 31, Township 16 South, Range 31 East, Eddy County, New Mexico.

3. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.

4. Apache has received preliminary approval of the Unit Agreement from the United States Bureau of Land Management and the New Mexico State Land Office.

5. The entire Unit Area will be developed and operated as a single participating area.

6. Pursuant to 19.15.20.14 NMAC, after notice and hearing, the Division may approve the combining of contiguous spacing units into a unitized area.

7. Approval of this Application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Apache Corporation requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on November 30, 2017, and that after notice and hearing as required by law, the Division enter its order granting this Application.

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Respectfully submitted, MODRALL EALING, ROEHL, HARRIS & SISK By:

Ear DeBrine, Jr. Jennifer L. Bradfute Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 <u>edebrine@modrall.com</u> <u>jlb@modrall.com</u>

Attorneys for Apache Corporation

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W3077248.DOCX

Case No. <u>15879</u>: Application of Apache Corporation For Approval of the Thunderbird Exploratory Unit, Eddy County New Mexico. Applicant seeks approval of its Thunderbird Exploratory Unit consisting of approximately 3,198.44 acres of federal and state lands situated in all or parts of Sections 12, 33, 34, 35 and 36 of Township 16 South, Range 30 East, N.M.P.M and Section 4 of .Township 17 South, Range 30 East, N.M.P.M, Eddy County, New Mexico. The unitized interval is the stratigraphic equivalent of the top of the Yeso formation encountered at a measured depth of 4,233' down to the stratigraphic equivalent of the top of the Tubb formation at a measured depth of 5,554' as encountered in the Aspen Federal Com #1 well (API No. 30-015-31656) located in Section 31, Township 16 South, Range 31 East, Eddy County, New Mexico.