

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Permit 1339

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address APACHE CORP Two Warren Place, Suite 1500 Tulsa, OK 74136-4224		OGRID Number 873
		API Number 30-025-36811
Property Code 23510	Property Name GULF HILL	Well No. 007

Surface Location

UL or Lot G	Section 4	Township 21S	Range 37E	Lot Idn 15	Feet From 3480	N/S Line S	Feet From 1650	E/W Line E	County Lea
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Proposed Pools

BLINEBRY OIL AND GAS (OIL) 6660
DRINKARD 19190
TUBB OIL AND GAS (OIL) 60240

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type Private	Ground Level Elevation 3470
Multiple Y	Proposed Depth 6900	Formation Drinkard	Contractor	Spud Date

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	24	1300	650	
Prod	7.825	5.5	17	6900	1250	

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Lana Williams

Title: Drilling Clerk

Date: 08/10/2004

Phone: 918-491-4900

OIL CONSERVATION DIVISION

Electronically Approved By: Chris Williams

Title: District Supervisor

Approval Date: 08/16/2004

Expiration Date: 08/16/2005

Conditions of Approval:

There are conditions. See Attached.

District I  
 125 N. French Dr., Hobbs, NM 88240  
 District II  
 301 W. Grand Avenue, Artesia, NM 88210  
 District III  
 300 Rio Brazos Road, Aztec, NM 87410  
 District IV  
 220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy Minerals and Natural Resources

Oil Conservation Division  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-144  
 August 5, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
 For downstream facilities, submit to Santa Fe office

### Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Apache Corporation Telephone: (918) 491-4800 e-mail address: clinton.mills@apachecorp.com  
 Address: Two Warren Place, Suite 1500, 610 S. Yale, Tulsa Oklahoma 74136-4224  
 Facility or well name: Gulf Hill / API #: 30-025-36811 U/L or Qm/Qr: LS Sec. 4 T. 21S ft. 37E  
 County: Lea Latitude: 32°30'36.46"N Longitude: 103°09'51.64"W NAD: 1927 ☒ 1983 D Surface Owner Federal D State D Private S Indian D

Use: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency D Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic S Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>7105</u> bbl	<b>Below-grade tank</b> Volume: <u>    </u> bbl Type of fluid: <u>    </u> Construction material: <u>    </u> Double-walled, with leak detection? Yes <input type="checkbox"/> No <input type="checkbox"/> If not, explain why not <u>    </u>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet - <u>78 ft</u> 100 feet or more <u>54'</u>	(20 points) (10 points) 10 Pts (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
Ranking Score (Total Points)		10 Points

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

on-site ☐ off-site ☐ If off-site, name of facility:      (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface      ft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 8/05/2004

Printed Name/Title: Clint Mills - Drilling Engineer

Signature: Clint Mills 8/5/04

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 8/16/04

Printed Name/Title: CHRIS WILLIAMS - DIST SUPERV

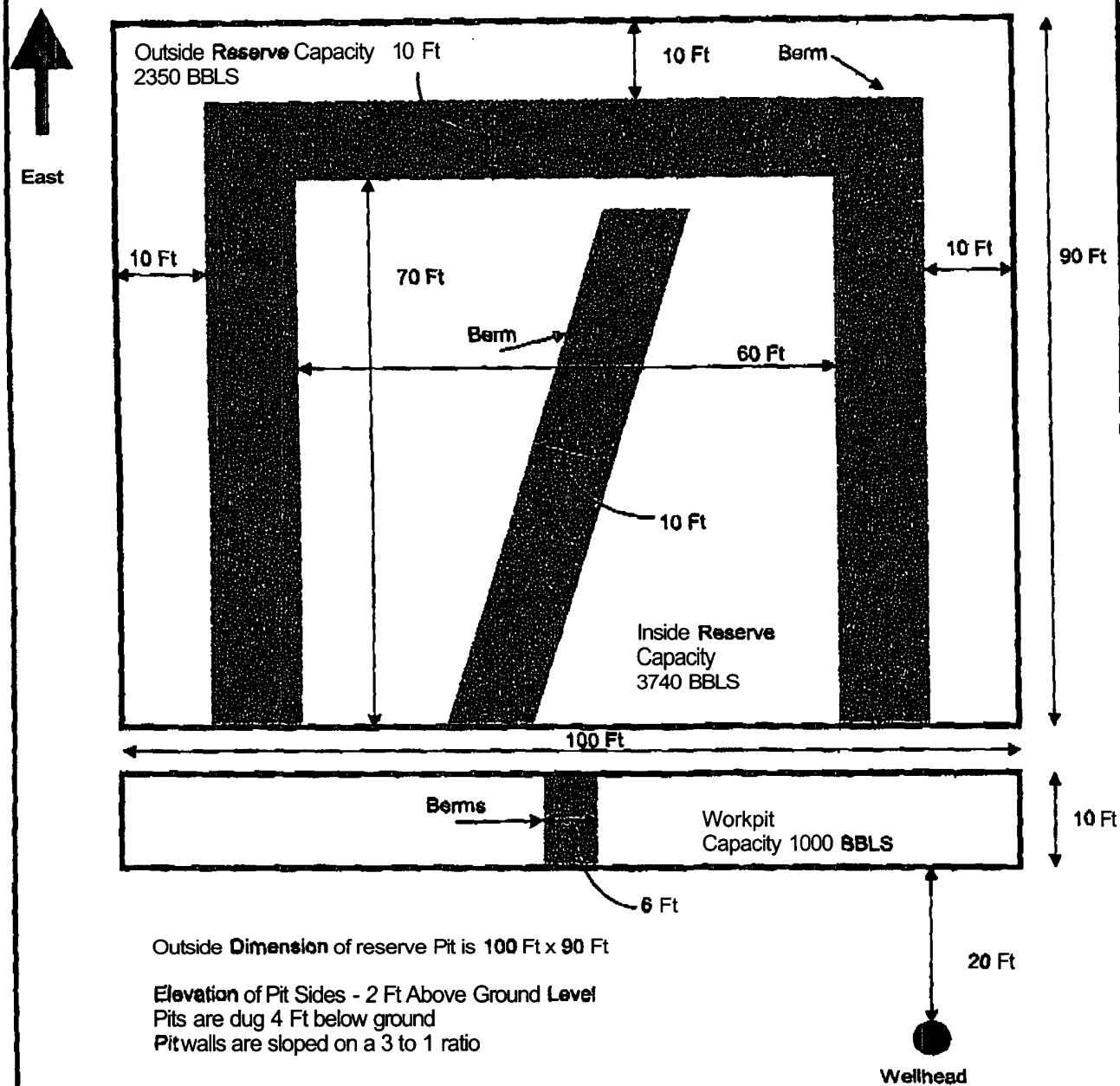
Signature: Chris Williams

**Gulf Hill 7 - Mud Pits**

Sec. 4, T 21S, R 37 E  
Lea County, NM



Top Soil pushed back off of Reserve pit prior to digging pits



Outside Dimension of reserve Pit is 100 Ft x 90 Ft

Elevation of Pit Sides - 2 Ft Above Ground Level

Pits are dug 4 Ft below ground

Pit walls are sloped on a 3 to 1 ratio