

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____

- WSL 7162
 - Apache Corporation
 873
 Well
 - Raven Federal 194
 30-015-40916
 Pool
 - Cedar Lake
 Glorieta yes
 96831

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David Catanach
 Print or Type Name

David Catanach
 Signature

Agent for Apache Corporation
 Title

9/10/19
 Date

drcatanach@netscape.com
 E-Mail Address

September 10, 2014

Hand Delivered

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG
Division Director

Re: Application for Unorthodox Well Location
Raven Federal No. 19H
API No. (30-015-40916)
Surface Location: 485' FSL & 180' FEL (Unit P)
First Take Point: 795' FSL & 554' FEL (Unit P)
Bottomhole Location: 1254' FSL & 331' FWL (Unit M/Lot 4)
Section 7, T-17 South, R-31 East, NMPM,
Eddy County, New Mexico

Dear Ms. Bailey:

Pursuant to Division Rule 19.15.15.13, Apache Corporation ("Apache") respectfully requests administrative approval of an unorthodox oil well location for its proposed Raven Federal No. 19H. This well will be drilled as a horizontal development oil well in the Cedar Lake Glorieta-Yeso Pool (96831) at the unorthodox horizontal oil well location described above.

The proposed Raven Federal No. 19H will be dedicated to an existing 151.89-acre spacing unit/horizontal project area in the Cedar Lake Glorieta-Yeso Pool comprising Lot 4, SE/4 SW/4 and the S/2 SE/4 (S/2 S/2) of Section 7, Township 17 South, Range 31 East, NMPM. This unit is currently dedicated to Apache's proposed: i) Raven Federal No. 20H (API No. 30-015-40917 located at a surface location 420 feet from the South line and 180 feet from the East line, and a bottomhole location 420 feet from the South line and 330 feet from the West line; and ii) Raven Federal No. 21H (API No. 30-015-40918) located at a surface location 330 feet from the South line and 180 feet from the East line, and a bottomhole location 330 feet from the South line and 330 feet from the West line.

The Cedar Lake Glorieta-Yeso Pool is currently governed by Division Rule 19.19.15.9 which requires standard 40-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit, or in the case of a horizontal well, no closer than 330 feet to the outer boundary of the project area.

Apache is currently testing increased horizontal well drilling density in this area. As part of that study, the Raven Federal No. 19H will be situated within the proposed spacing unit in an area that will likely not be drained by the proposed Raven Federal Wells No. 20H and 21H. Consequently, the proposed unorthodox location is necessary in order to maximize the recovery of oil and gas reserves from the Cedar Lake Glorieta-Yeso Pool underlying the proposed project area.

The affected offset tracts are: i) Lot 3, NE/4 SW/4 and N/2 SE/4 (N/2 S/2) of Section 7. This existing 151.78-acre horizontal project area is currently operated by Apache in the Cedar Lake-Glorieta Yeso Pool. Please note that the working interest ownership between this affected offset tract and the drilling tract is common; and ii) the NE/4 SE/4 of Section 12, Township 17 South, Range 30 East, NMPM. This unit is currently operated in the Cedar Lake Glorieta-Yeso Pool by Burnett Oil Company, Inc.


Notice of this application is being provided to Burnett Oil Company, Inc. in accordance with Division rules.

Attached is a Form C-102 showing the proposed well and spacing unit. Also attached is a map showing the affected offset acreage.

In summary, approval of the application will provide Apache Corporation the opportunity to recover additional oil and gas reserves from the Cedar Lake Glorieta-Yeso Pool underlying the S/2 S/2 of Section 7 that may otherwise not be recovered by the proposed producing wells, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,


David Catanach, Agent
Apache Corporation
303 Veterans Airpark Lane
Suite 3000
Midland, Texas 79705

Xc: OCD-Artesia

DISTRICT I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
DISTRICT II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
DISTRICT IV
1220 S St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40916		Pool Code 96831	Pool Name Cedar Lake-Glorieta Yeso Pool
Property Code 39330	Property Name RAVEN FEDERAL		Well Number 19H
OGRID No. 873	Operator Name APACHE CORPORATION		Elevation 3713'

Surface Location

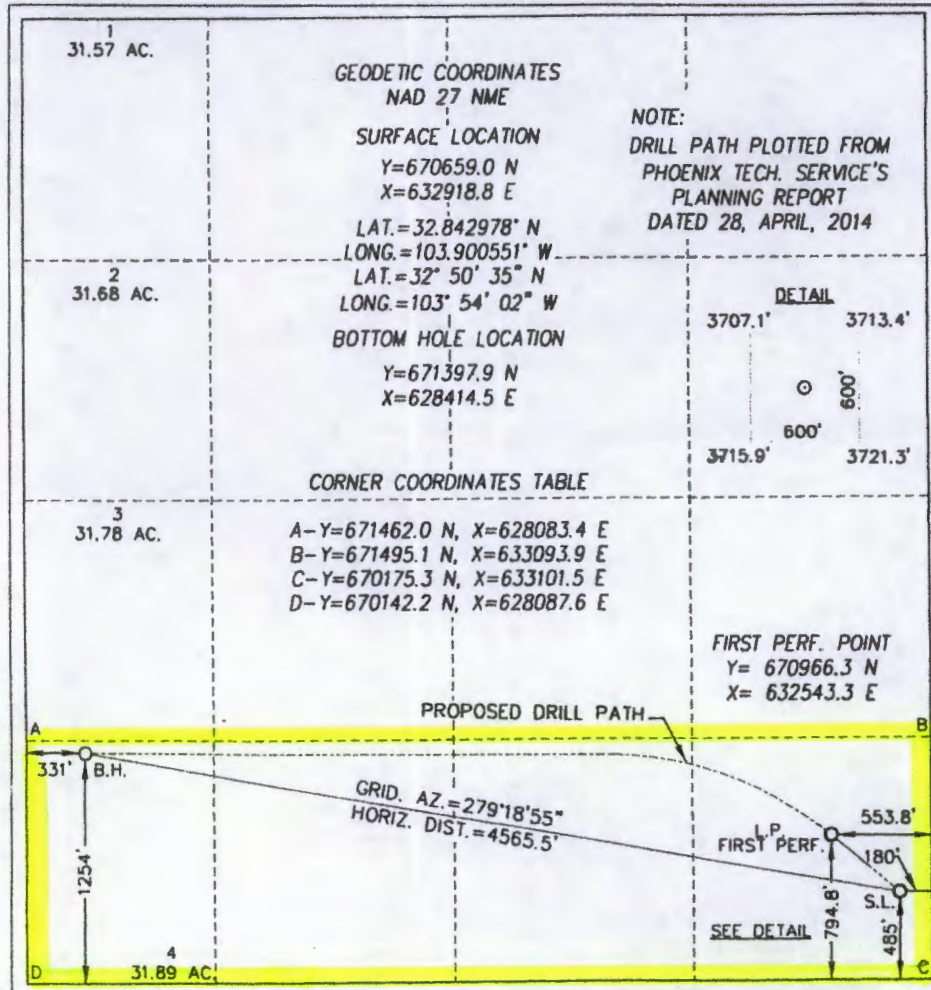
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	17-S	31-E		485	SOUTH	180	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	7	17-S	31-E		1254	SOUTH	331	WEST	EDDY

Dedicated Acres 151.89	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 19, 2012

Date of Survey
Signature & Seal of Professional Surveyor:

RONALD J. EIDSON
NEW MEXICO

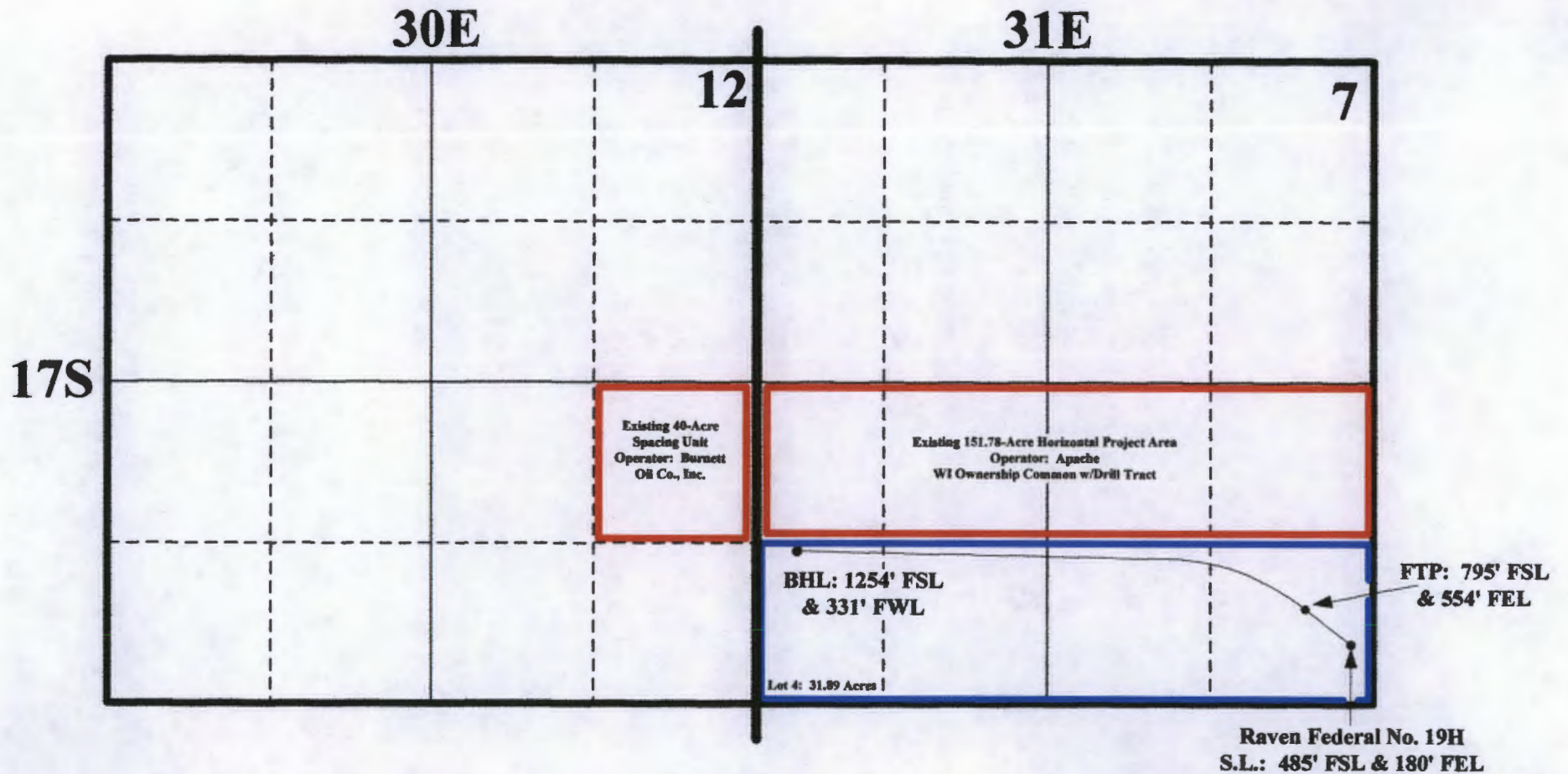
Ronald J. Eidson 04/19/2012

Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239

LSI. Rel W/O #14-13013# JWSC W/O 14 13 0839

— Proposed Horizontal Project Area

— Affected Offset Acreage



Apache Corporation
Application for Unorthodox Well Location
Raven Federal No. 19H

September 10, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: Burnett Oil Company, Inc.
801 Cherry Street
Burnett Plaza, Suite 1500
Fort Worth, Texas 76102

Re: Apache Corporation
Application for Unorthodox Oil Well Location
Raven Federal No. 19H
Surface Location: 485' FSL & 180' FEL (Unit P)
First Take Point: 795' FSL & 554' FEL (Unit P)
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Section 7, T-17 South, R-31 East, NMPM,
Cedar Lake Glorieta-Yeso Pool
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by Apache Corporation ("Apache") for authorization to drill its Raven Federal No. 19H at the above-described unorthodox horizontal oil well location in the Cedar Lake Glorieta-Yeso Pool. The well will be dedicated to an existing 151.89-acre spacing and proration unit/horizontal project area in the Cedar Lake Glorieta-Yeso Pool comprising the S/2 S/2 of Section 7. This unit is currently dedicated to Apache's proposed Raven Federal Wells No. 20H and 21H. The unorthodox location is necessary in order to maximize the recovery of oil and gas reserves underlying the project area.

As the owner of an interest that may be affected by the proposed unorthodox oil well location, you are being provided notice as per Division rules and regulations. Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you. If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach
Agent-Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, Texas 79705

Enclosure

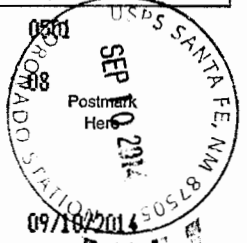
7013 2630 0000 9072 0422

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Certified Fee		\$3.30
Return Receipt Fee (Endorsement Required)		\$2.70
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total *		\$7.19



Sent To **Burnett Oil Company, Inc.**
 Street, or PO **801 Cherry Street**
 City, State **Burnett Plaza, Suite 1500**
Fort Worth, Texas 76102

PS Form 3800, August 2008 Instructions

McMillan, Michael, EMNRD

From: David Catanach <drcatanach@netscape.com>
Sent: Wednesday, September 10, 2014 11:07 AM
To: McMillan, Michael, EMNRD
Subject: Re: Raven Federal No. 19H final perforation

Yes, that would be the point at which the well is at the maximum unorthodox location

--- Michael.McMillan@state.nm.us wrote:

From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
To: "Catanach, David" <drcatanach@netscape.com>
Subject: Raven Federal No. 19H final perforation
Date: Wed, 10 Sep 2014 16:52:45 +0000

David:

Is the BHL the final perforation the Raven Federal No. 19H for the well you submitted earlier today?

Thank You

Mike

Netscape. Just the Net You Need.