

SUSPENSE

ENGINEER

LOGGED IN

TYPE

APP NO.

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

## 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 \_\_\_\_\_

## [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.

Print or Type Name

Signature

Title

Date

BRIAN WOOD  
(505) 466-8120  
FAX 466-9682

CONSULTANT

1-28-12

e-mail Address

brian@permitswest.com

Apache  
NB Tween St #27

6565

Apache Corporation's  
NB Tween State 27  
30-015-39745

L-25-175-28E

2012 JAN 30 A 6:39

RECEIVED OGD

**REQUEST FOR ADMINISTRATIVE APPROVAL  
NONSTANDARD LOCATION  
APACHE CORPORATION  
NB BETWEEN STATE 27  
2310' FSL & 190' FWL  
SECTION 25, T. 17 S., R. 28 E., EDDY COUNTY, NM  
API 30-015-39745**

I. The well is on New Mexico State Land Office (NMSLO) oil and gas lease X0-0647-0405 and State surface. The well bore is 2,970' from the closest lease line. The proposed oil well is nonstandard for the Artesia; Glorieta-Yeso (O) Pool (96830) due to land uses. A copy of the APD cover sheet is attached (Exhibit A).

Apache requests a nonstandard location due to land uses. There are already 3 Yeso wells, 1 Abo well, 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines in the NWSW Section 25.

The 8,746.59 acre state lease comprises all of Sections 25 and 26, NE4 Section 35, N2 Section 36, et al. The well was planned to be staked at 2310 FSL & 330 FWL. However, that would overlap two buried Elkhorn pipelines (see Exhibit B).

A standard location must be at least 330' from the quarter-quarter line. The well bore is 190' from the closest quarter-quarter line (see C-102 as EXHIBIT C). It is 140' too far west.

II. A C-102 form showing the well and 40 acre pro ration unit (NWSW Section 25) is attached as EXHIBIT C.

The oil and gas lease boundary is marked as a solid line on the attached (EXHIBIT D) topographic map. The well bore encroaches too far (140') west. All encroachments are part of the same state lease. There are 2 Yeso wells in the encroached quarter-quarter (NESE Section 26). Both those Yeso wells are approved, but undrilled to date, Apache wells. The quarter-quarter is part of the same state lease. All eight bordering or cornering quarter-quarters (dashed line squares) are part of the same state lease. Next closest quarter-quarter (SWNW Section 25) is 330' north.

III. See Exhibit F for existing Yeso wells (circles). Apache operates all Yeso wells (circles on Exhibit E) in the 8 offset quarter-quarters. Closest (540') existing Yeso well is Apache's NB Tween State 10 (30-015-36798) at 2205 FSL & 720 FWL 25-17s-28e. Apache has Yeso wells in all 8 the offest offset quarter-quarter-quarters. This information is current and correct.

IV. See Exhibits C and E for the proposed well, proration unit, drilling windows, and all wells. Apache does not believe it is cost effective to directionally drill from an existing pad.

V. See Exhibits B and E for surface uses (3 Yeso wells, 1 Abo well, and 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines) that prevent use of a legal location.

VI. Archaeology is not an issue.

VII. The well was planned to be staked at 2310 FSL & 330 FWL. However, that would force the reroute of two buried Elkhorn pipelines (see Exhibit B).

VIII. Apache does not believe directional drilling to a legal bottom hole location is cost effective.

IX. I hereby certify that Apache Corporation and its partners have 100% of the Yeso working interest in the lease which comprises the proposed 40 acre spacing unit and the adjacent quarter-quarters on one or more of the two sides or the single closest corner to the proposed well toward which it encroaches and that the information is current and correct.

I hereby attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT F) by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division receives the application. These affected persons have working or royalty interests in quarter-quarters which border the 40 acre spacing unit. Said notice was sent to:

NM State Land Office  
COG Operating LLC  
Khody Land and Minerals Company  
Yates Petroleum Corporation  
Chase Oil Corporation  
Marathon Oil Company

*B. Wood*

Brian Wood, Consultant

*1-28-12*

Date

STATE OF NEW MEXICO     )  
  ) SS:  
COUNTY OF SANTA FE     )

The foregoing instrument was acknowledged before me this 28th day of January, 2012 by Brian Wood. Witness my hand and official seal.

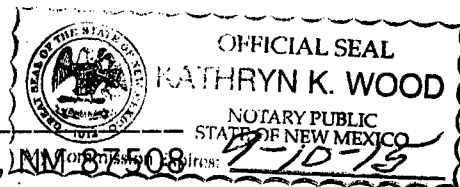
*Kathryn K. Wood*

Notary Public

My Commission Expires: *9-10-15*

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508

cc: Flores, OCD (Artesia & Santa Fe)



**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 Bonos Rd., Artes, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101  
August 1, 2011  
Permit 141082

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<b>1. Operator Name and Address</b> APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705		<b>2. OGRID Number</b> 873
<b>4. Property Code</b> 308723		<b>3. API Number</b> 30-015-39745
<b>5. Property Name</b> N B TWEEN STATE		<b>6. Well No.</b> 027

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	25	17S	28E	L	2310	S	190	W	EDDY

**8. Pool Information**

ARTESIA; GLORIETA-YESO (O)	96830
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**Additional Well Information**

<b>9. Well Type</b> New Well	<b>10. Well Type</b> OIL	<b>11. Cable/Rotary</b>	<b>12. Lease Type</b> State	<b>13. Ground Level Elevation</b> 3667
<b>14. Multiple</b> N	<b>15. Proposed Depth</b> ~ 5700	<b>16. Formation</b> Yeso Formation	<b>17. Contractor</b>	<b>18. Spud Date</b>
<b>Depth to Ground water</b>		<b>Distance from nearest fresh water well</b>		<b>Distance to nearest surface water</b>

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	300	
Prod	7.875	5.5	17	5700	960	

**Casing/Cement Program: Additional Comments**

--

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCG guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Bobby Smith Title: Email Address: bobby.smith@apachecorp.com Date: 12/6/2011      Phone: 432-818-1020	<b>OIL CONSERVATION DIVISION</b>  Approved By: Randy Dade Title: District Supervisor Approved Date: 12/8/2011      Expiration Date: 12/8/2013  Conditions of Approval Attached
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EXHIBIT A

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.  
EDDY COUNTY NEW MEXICO

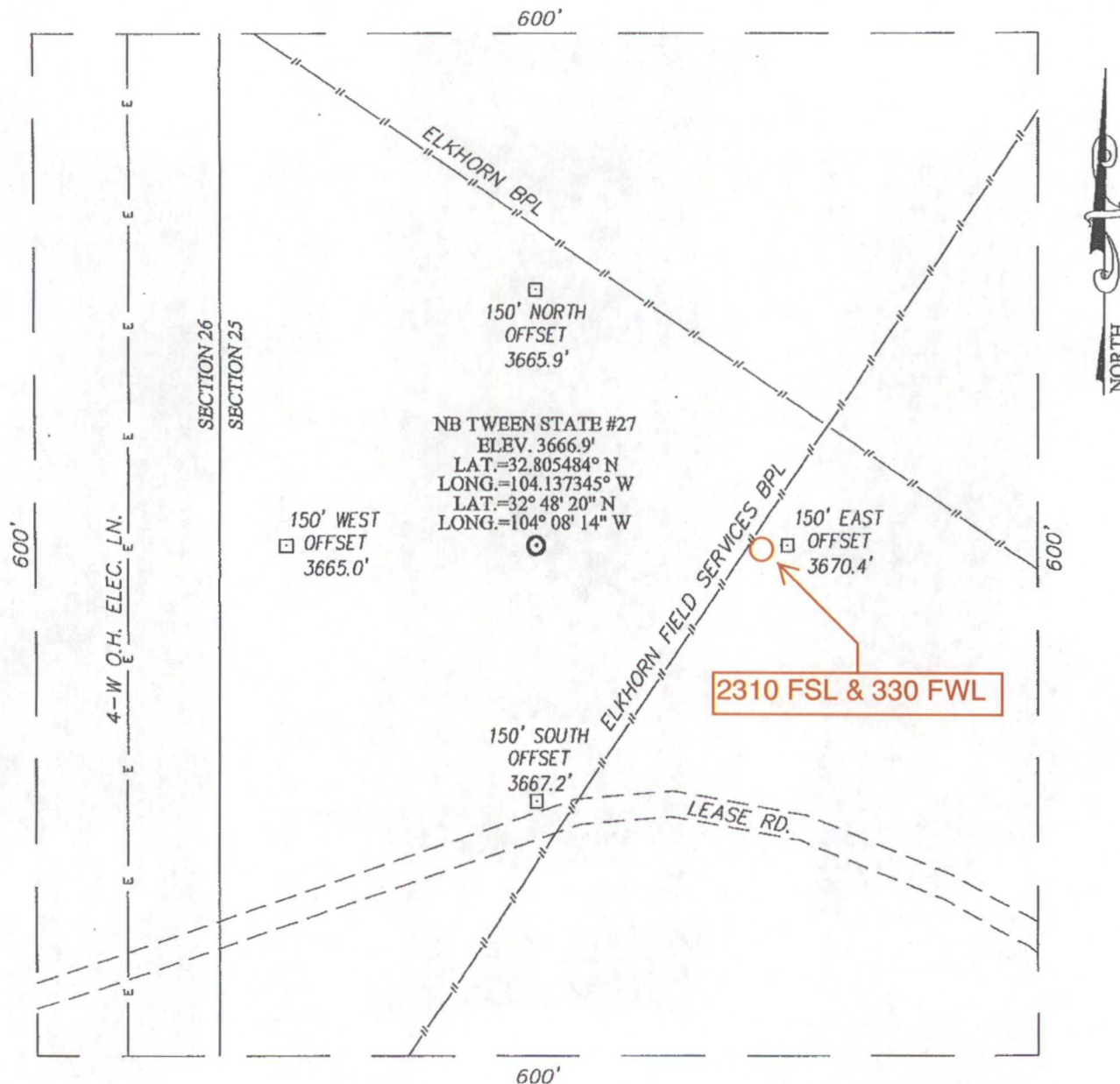
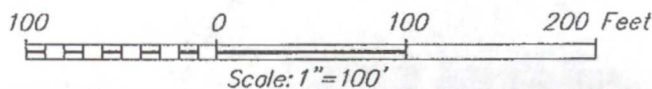
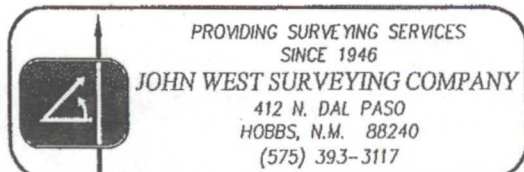


EXHIBIT B

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #209 (TURKEY TRACK RD.) GO NORTHEAST ON U.S. HWY. #82 FOR APPROX. 1 MILE. TURN LEFT AND GO NORTH FOR APPROX. 200 FEET. TURN LEFT AND GO SOUTHWEST APPROX. 0.3 MILES. TURN RIGHT AND GO NORTHWEST APPROX. 0.15 MILES. THE LOCATION STAKE IS APPROX. 160 FEET NORTH OF ROAD.



APACHE CORPORATION

NB TWEEN STATE #27 WELL  
LOCATED 2310 FEET FROM THE SOUTH LINE  
AND 190 FEET FROM THE WEST LINE OF SECTION 25,  
TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

Survey Date: 11/02/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.2304	Dr. By: ACR Rev 1:
Date: 11/29/11 Rel. W.O.:	11112304 Scale: 1\"=100'

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 <b>30-015-39745</b>	Pool Code <b>96830</b>	Pool Name <b>Artesia; Morieta - Yaso (o)</b>
Property Code <b>308723</b>	Property Name <b>NB TWEEN STATE</b>	Well Number <b>27</b>
OGRID No. <b>873</b>	Operator Name <b>APACHE CORPORATION</b>	Elevation <b>3667'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>L</b>	<b>25</b>	<b>17-S</b>	<b>28-E</b>		<b>2310</b>	<b>SOUTH</b>	<b>190</b>	<b>WEST</b>	<b>EDDY</b>

Bottom Hole Location If Different From Surface

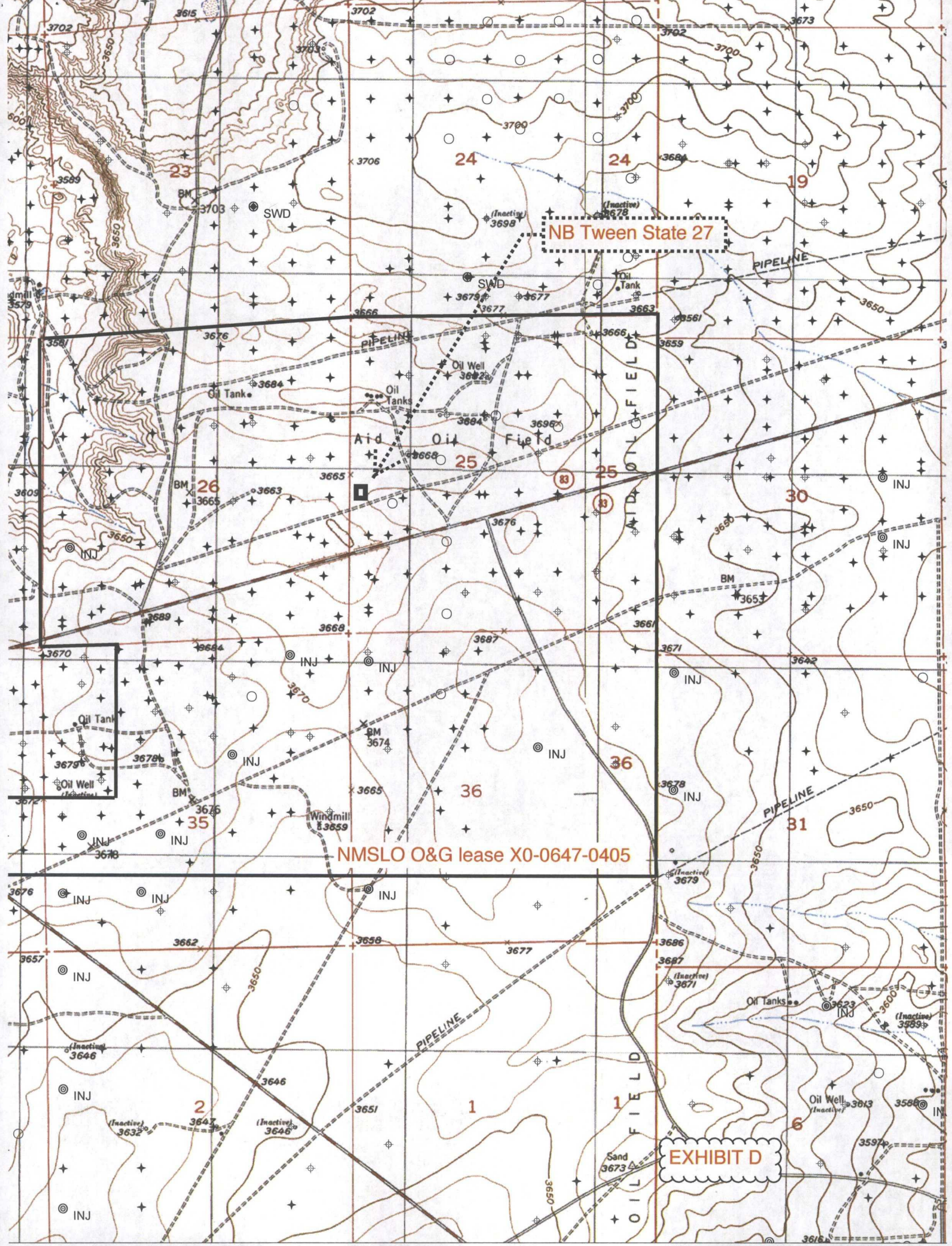
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres <b>40</b>	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

	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=656802.0 N X=560218.3 E</p> <p>LAT.=32.805484° N LONG.=104.137345° W</p> <p>LAT.=32° 48' 20" N LONG.=104° 08' 14" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p><i>Susan Blakemore</i> 10/8/11 Signature Date</p> <p><i>Susan Blakemore</i> Printed Name</p> <p><i>susan.blakemore@apachecorp.com</i> E-mail Address</p>
		<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p><b>EXHIBIT C</b></p> <p>NOVEMBER 2, 2011</p>
		<p>Date of Survey</p> <p>Signature of Professional Surveyor</p> <p><i>Ronald J. Eidson</i> 12/02/2011</p> <p>Certificate Number 3239</p> <p>Professional Surveyor</p>
		<p>ACR</p> <p>JWSC W.O.: 11.11.2304</p>



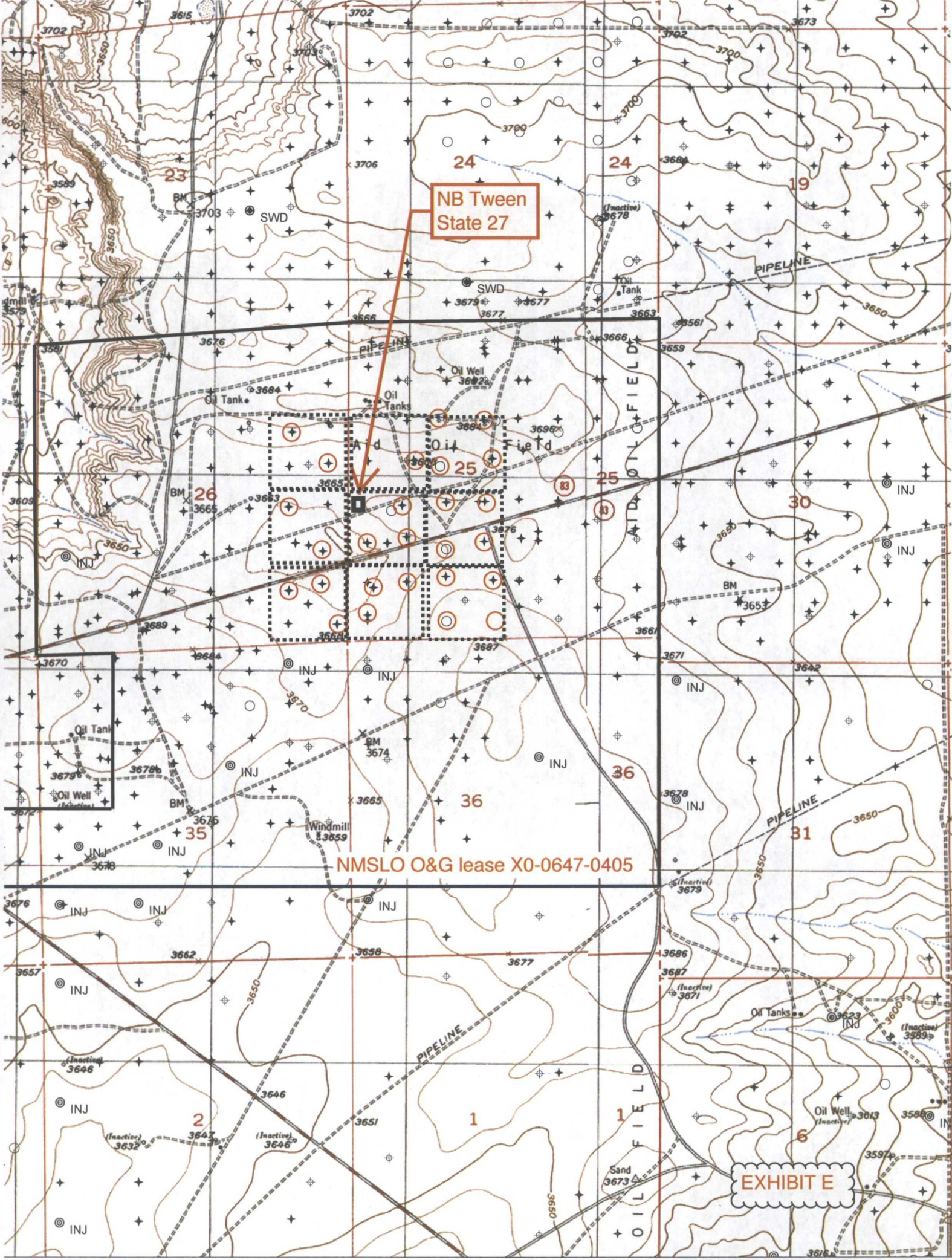


NB Tween State 27

NMSLO O&G lease X0-0647-0405

EXHIBIT D







**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 27, 2012

Joe Rusnak  
Marathon Oil Company  
200 North Lorraine, Suite 1222  
Midland, TX 79701

Dear Mr. Rusnak:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

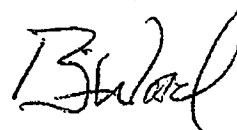
Apache Corporation is applying to drill its NB Tween State 27 oil well. The minimum state distance for such a well is 330' from a quarter-quarter line. The well is 140' further west than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: NB Tween State 27 Where: 2310 FSL & 190 FWL 25-17s-28e  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O) ID: 5,700'  
NSL Acreage Dedication: 40 acres (NWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 2,970' from the closest lease boundary)  
Approximate Location: ~9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service<sup>TM</sup>  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)

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Postage	\$ 45
Certified Fee	2.95
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

QUICKSEND CERT  
SANTA FE, NM 87508  
JAN 28 2012

Sent To  
Street, Apt. No., or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2006  
See Reverse for Instructions

EXHIBIT F

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

January 27, 2012

Staci Sanders  
Chase Oil Corporation  
P. O. Box 960  
Artesia, NM 88211-0960

Dear Ms. Sanders:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its NB Tween State 27 oil well. The minimum state distance for such a well is 330' from a quarter-quarter line. The well is 140' further west than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: NB Tween State 27 Where: 2310 FSL & 190 FWL 25-17s-28e

Proposed NSL Zone: Artesia; Glorieta-Yeso (O) ID: 5,700'

NSL Acreage Dedication: 40 acres (NWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 2,970' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

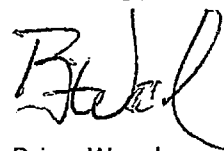
Applicant Name: Apache Corporation (432) 818-1167

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

7011 2970 0003 9317 7180

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Certified Fee	2.95
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 9.80

QUICKSEND CBL  
SANTA FE, NM 87508  
JAN 28 2012  
Postmark Here

Sent To  
Street, Apt. No.,  
or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2006

EXHIBIT F

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

January 27, 2012

Chuck Moran  
Yates Petroleum Corporation  
105 South 4th St.  
Artesia, NM 88210

Dear Mr. Moran:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its NB Tween State 27 oil well. The minimum state distance for such a well is 330' from a quarter-quarter line. The well is 140' further west than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: NB Tween State 27 Where: 2310 FSL & 190 FWL 25-17s-28e

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NSL Acreage Dedication: 40 acres (NWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 2,970' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

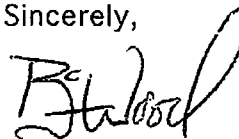
Applicant Name: Apache Corporation (432) 818-1167

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

EXHIBIT F

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Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

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SANTA FE, NM  
JAN 28 2012  
Postmark Here  
USPS

Sent To Yates

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

City, State, ZIP+4



# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

January 27, 2012

Land Department  
Khody Land and Minerals Company  
3817 NW Expressway, Suite 950  
Oklahoma City, OK 73112

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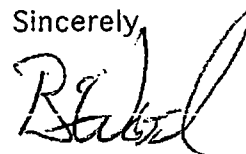
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Please call me if you have any questions.

Sincerely,



Brian Wood

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(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ 1.45
Certified Fee	2.29
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

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City, State, ZIP+4

EXHIBIT F

**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 27, 2012

David Evans  
COG Operating LLC  
550 West Texas Ave., Suite 100  
Midland, TX 79701

Dear Mr. Evans:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

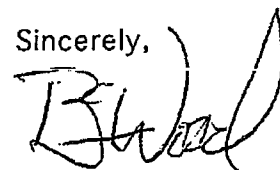
Apache Corporation is applying to drill its NB Tween State 27 oil well. The minimum state distance for such a well is 330' from a quarter-quarter line. The well is 140' further west than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: NB Tween State 27 Where: 2310 FSL & 190 FWL 25-17s-28e  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O) ID: 5,700'  
NSL Acreage Dedication: 40 acres (NWSW Section 25, T. 17 S., R.28 E., Eddy County, NM  
on State lease X0-0647-0405 (well is 2,970' from the closest lease boundary)  
Approximate Location: ~9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

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OFFICIAL USE	
Postage	\$ .45
Certified Fee	2.95
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

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PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT F

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

January 27, 2012

NM State Land Office  
P. O. Box 1148  
Santa Fe, NM 87504

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its NB Tween State 27 oil well. The minimum state distance for such a well is 330' from a quarter-quarter line. The well is 140' further west than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: NB Tween State 27 Where: 2310 FSL & 190 FWL 25-17s-28e

Proposed NSL Zone: Artesia; Glorieta-Yeso (O) ID: 5,700'

NSL Acreage Dedication: 40 acres (NWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 2,970' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

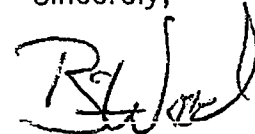
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Please call me if you have any questions.

Sincerely,



Brian Wood

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**OFFICIAL USE**

Postage	\$ 4.50
Certified Fee	2.95
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$5.75

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PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT F