| _ | | |
|---------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| | VI3 SUSPE | ASE LATER LOGGED IN SUD PAPENO 130765752 |
| ······ | · · · · · · · · · · · · · · · · · · · | ABOVE THIS LINE FOR DIVISION USE ONLY |
| | | NEW MEXICO OIL CONSERVATION DIVISION |
| | | - Engineering Bureau - |
| | | 1220 South St. Francis Drive, Santa Fe, NM 87505 |
| <u></u> | <u> </u> | ADMINISTRATIVE APPLICATION CHECKLIST |
| T | HIS CHECKLIST IS N | IANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS |
| Applic | cation Acronym | WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE |
| | [NSL-Non-Sta | ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] |
| | - | nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] |
| | • | [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] |
| | IEOR-Ous | [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] Ilified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] |
| | - | |
| [1] | TYPE OF A | PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication |
| | [A] | □ NSL □ NSP □ SD |
| | Charl | |
| | [B] | Cone Only for [B] or [C] 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 <u>*Application to Amend Order No. SWD-1378</u> |
| [2] | NOTIFICAT | ION REQUIRED TO: - Check Those Which Apply, or \Box Does Not Apply |
| [2] | [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 |
| | L+ 3 | |

[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.

| | Douid Catanach |
|-----------|----------------|
| Signature | 3 |

Agent-Apache Corporation Title

2/20/13 Date

David Catanach Print or Type Name

> drcatanach@netscape.com E-Mail Address

February 20, 2013

Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG Division Director

Re: Form C-108: Application to Amend Order No. SWD-1378 Apache Corporation Geronimo 28 State SWD No. 2 API No. (30-015-40876) 2135' FSL & 690' FEL, (Unit I) Section 28, T-17S, R-28E, NMPM, Eddy County, New Mexico

Dear Ms. Bailey,

By Order No. SWD-1378 dated January 3, 2013 Apache Corporation ("Apache") was authorized to utilize its Geronimo 28 State SWD No. 2, which was initially proposed to be drilled 1655 feet from the South line and 800 feet from the East line (Unit I) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, as a produced water disposal well, injection to occur into the Devonian and Ellenburger formations through the perforated interval from 11,404 feet to 12,500 feet.

Due to surface obstructions, Apache now proposes to drill the Geronimo 28 State SWD No. 2 at a surface location 2135 feet from the South line and 690 feet from the East line (Unit I) of Section 28. Consequently, Apache seeks to amend Order No. SWD-1378 to reflect the correct well location.

Attached to this amended application are the following documents:

1. Form C-108;

2. Form C-102 showing the new well location for the Geronimo 28 State SWD No. 2;

3. Injection Well Data Sheet and Wellbore Diagram (Revised as to well location only);

4. ¹/₂ Mile AOR map showing the previous and newly proposed well locations;

5. Revised AOR Well List. This list shows seven additional wells that were not included in the original application. These wells are now included due to the change in the AOR area. Please note that none of the additional AOR wells penetrate the proposed injection interval;

6. Notice Letter to Offset Operators/Leasehold Owners/Surface Owner;

7. Offset Leasehold Owner Identification Map;

8. Notice List;

9. Legal Notice to be published in the Artesia Daily Press

10. Copy of Order No. SWD-1378

Please note that Apache seeks to amend Order No. SWD-1378 with respect to the well location only. All wellbore configurations and operational data as contained in the original Form C-108 application will remain the same.

I believe that all the information necessary to approve the amendment is enclosed. If additional information is needed, please contact me at (505) 690-9453.

Sincerely,

David Catan

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

Xc: OCD-Artesia

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION FOR AUTHORIZATION TO INJECT

| I. | PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? X Yes No |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| II. | OPERATOR: Apache Corporation (OGRID-873) |
| | ADDRESS: 303 Veterans Airpark Lane, Suite 3000 Midland, Texas 79705 |
| | CONTACT PARTY: David Catanach-Agent PHONE: (505) 690-9453 |
| III. | WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary. |
| IV. | Is this an expansion of an existing project? Yes X No * If yes, give the Division order number authorizing the project: Application is to amend Order No. SWD-1378 |
| V. | Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review. |
| VI. | Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail. |
| VII. | Attach data on the proposed operation, including: |
| · | Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.). |
| *VIII. | Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval. |
| IX. | Describe the proposed stimulation program, if any. |
| *X. | Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted). |
| *XI. | Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken. |
| XII. | Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water. |
| XIII. | Applicants must complete the "Proof of Notice" section on the reverse side of this form. |
| XIV. | Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief. |
| | NAME: David Catanach TITLE: Agent-Apache Corporation |
| | SIGNATURE: David Catant DATE: 2/20/13 |
| | E-MAIL ADDRESS: drcatanach@netscape.com |
| * | If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: |

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III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
 - (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
 - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
 - (3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation and, if applicable, the field or pool name.
 - (2) The injection interval and whether it is perforated or open-hole.
 - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
 - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
 - (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,

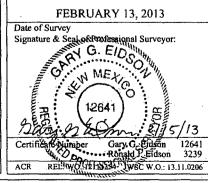
(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

| DISTRICT 1 1625 N. French Dr., Hol Phone: (575) 393-6161 DISTRICT 11 811 S. First St., Artesia, Phone: (575) 748-1283 1 DISTRICT 111 1000 Rio Brazzos Road, Phone: (505) 334-6178 1 DISTRICT IV 1220 S. St. Francis Dr., Phone: (505) 476-3460 1 | NM 88210 Fax: (575) 748-5 Aztec, NM 8741 Fax: (505) 334-6 Santa Fc, NM 8 | 0720 0 5170 7505 1462 | C | Minerals DIL CON 1220 Santa I | ISERVATIC South St. Fr Fe, New Me | Resources De DN DIVISIOI rancis Dr. | N | | Submit o | Form C-102 evised August 1, 2011 ne copy to appropriate District Office MENDED REPORT |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A | PI Number | | | Puol Code | | | | Pool Name | | |
| Property C | ode | 1 | | | Property Nam | e | <u> </u> | | | ell Number |
| | | | | GERO | NIMO 28 ST | | | | | 2 |
| OGRID | lo. | | | APAC | Operator Nam | | | | | Elevation 3688' |
| L | ····· | | | | Surface Locat | ion | | | | J |
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet | from the | East/West line | County |
| I | 28 | 17-S | 28-E | | 2135 | SOUTH | | 690 | EAST | EDDY |
| | | | · · · | Bottom Hol | e Location If Diffe | erent 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 | Joint of | Infill | Consolidation C | ode Ord | er No. | | | | · · · · · · · · · · · · · · · · · · · | |
| | | | | | | ONSOLIDATED OR A 1 | | OPER I hereby cert complete to that this orgr unleased min proposed bo well at this I of such minu pooling agree | ATOR CERTIF tify that the information the best of my knowled anization either owns a v neral interest in the land ttom hole location or ha ocation pursuant to a co eral or working interest, sement or a compulsion, attered by the division. | TCATION berein is true and ge and belief, and working interest or including the s a right to drill this nuract with an owner or to a voluntary |
| | | | SURFACE Y=656 - X=548 LAT.=32. LONG.=104 LAT.=32* | COORDINATE 27 NME 200.1 N 895.0 E 804130° N 4.174201° W 48' 15" N ° 10' 27" V | | 0 69i | 0, | I hereby cert was plotted I me or under and correct to Date of Sur | dress EYOR CERTIF ify that the well location from field notes of actua my supervision, and that o the best of my belief. FEBRUARY 13 | s shown on this plat. I surveys made by t the same is true , 2013 |

2135'--



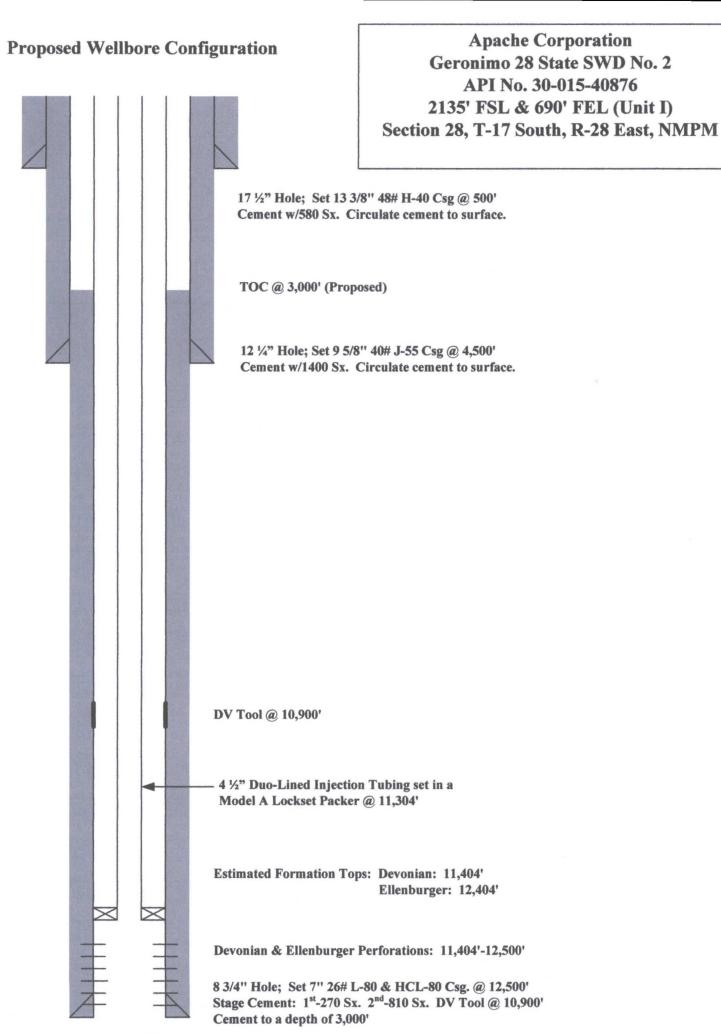
INJECTION WELL DATA SHEET

| OPERATOR: Apache Corporation | |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| WELL NAME & NUMBER: Geronimo 28 State SWD | No. 2 (API No. 30-015-40876) |
| WELL LOCATION: <u>2135' FSL & 690' FEL</u> FOOTAGE LOCATION | I2817 South28 EastUNIT LETTERSECTIONTOWNSHIPRANGE |
| FOOTAGE LOCATION | UNIT LETTER SECTION TOWNSHIP RANGE |
| <u>WELLBORE SCHEMATIC</u> | <u>WELL CONSTRUCTION DATA (PROPOSED)</u> Surface Casing |
| See Attached Wellbore Schematic | Hole Size: $17 \frac{1}{2}$ Casing Size: $13 \frac{3}{8}$ @ 500' |
| | Cemented with: <u>580 Sx.</u> or <u>ft³</u> |
| | Top of Cement: Surface Method Determined: Circulate |
| | Intermediate Casing |
| | Hole Size: <u>12 1/4</u> " Casing Size: <u>9 5/8</u> " @ 4,500' |
| | Cemented with: 1400 Sx. or ft^3 |
| | Top of Cement: <u>Surface</u> Method Determined: <u>Circulate</u> |
| | Production Casing |
| | Hole Size: $8 3/4"$ Casing Size: $7" @ 12,500'$ 1^{st} Stage-270 sx.DV Tool @ 10,900'Cement with: 2^{nd} Stage-810 sx.orft ³ |
| | Top of Cement: <u>3,000</u> ' Method Determined: <u>Calculated</u> |
| | Total Depth: <u>12,500'</u> |
| | Injection Interval |

Perforated Interval -11,404'- 12,500'

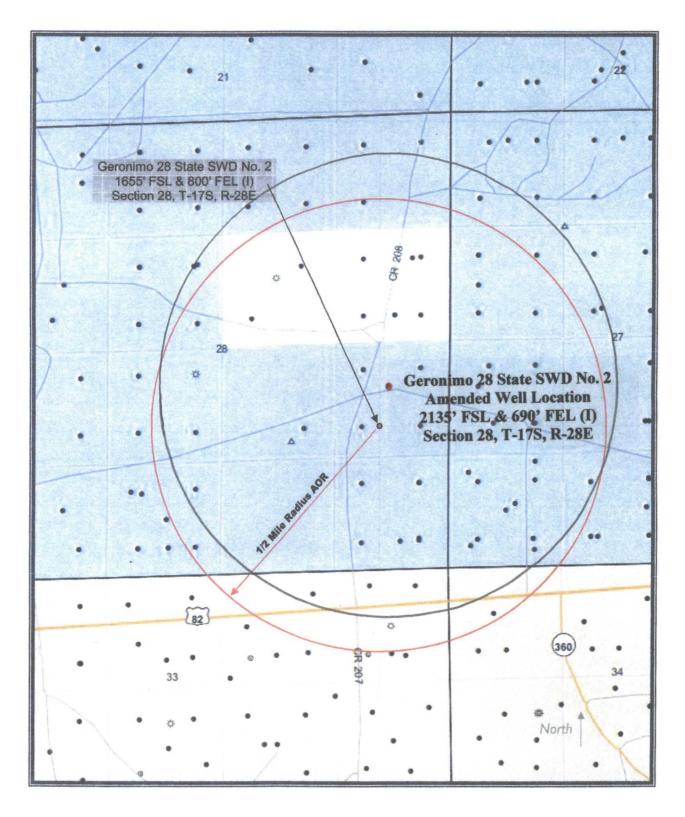
INJECTION WELL DATA SHEET

| Tubin | bing Size: <u>4 1/2</u> " Lining N | Material: | Duo Lined (Extruded Thermoplastic) |
|-------|----------------------------------------------------------------------------------------------------|--------------|--------------------------------------------------|
| Туре | pe of Packer: Model A Lockset Injection Packer | | |
| Packe | cker Setting Depth: <u>11,304' or within 100' of the u</u> | ippermost in | njection perforations |
| Other | her Type of Tubing/Casing Seal (if applicable): <u>None</u> | | |
| | Additional Data | | |
| 1. | Is this a new well drilled for injection: | XYes | No |
| | If no, for what purpose was the well originally drilled: | - <u></u> | |
| 2. | Name of the Injection Formation: Devonian & Ell | lenburger | |
| 3. | Name of Field or Pool (if applicable): <u>N/A</u> | | |
| 4. | Has the well ever been perforated in any other zone(s)? List i.e. sacks of cement or plug(s) used. | all such per | rforated intervals and give plugging detail, |
| | None | | |
| 5. | Give the name and depths of any oil or gas zones underlying in this area: | or overlyin | ig the proposed injection zone |
| | East Empire Yates-Seven Rivers Pool (2,050'); Red Lake Q | ueen-Grayt | ourg-San Andres Pool (3,700'); Artesia Glorieta- |
| | Yeso Pool (4,200'); Empire-Abo Pool (6,200'); Empire-Per | nn Gas Pool | l (10,600'); |
| | | · · · · · | |



C-108 - Item V Area of Review Map

Geronimo 28 State SWD No. 2



APACHE CORPORATION FORM C-108: APPLICATION TO AMEND ORDER SWD-1378 GERMONIMO 28 STATE SWD NO. 2 <u>REVISED AREA OF REVIEW WELL LIST *</u>

| API NUMBER | OPERATOR | | WELL | WELL | STATUS | FTG. | N/S | FTG. | E/W | UNIT | SEC. | TSHP. | RNG. | TOTAL |
|--------------|-----------------------------------------------------|------------------|------|---------|-----------|--------|-------|---------|-------|----------|--------|---------|--------|---------|
| | | NAME | NO. | TYPE | | N/S | 10 m | Ė/W | | 1 . A 49 | | | 0 | DEPTH |
| 30-015-21903 | CFM Oil, LLC | Gillespie State | 3 | Ρ | Active | 990' | N | 330' | W | D | 27 | 17S | 28E | 788' |
| 30-015-21760 | Marbob Energy Corp. | N G Phillips St. | 17 | Р | PA | 1650' | Ν | 990' | W | E | 27 | 17S | 28E | 831' |
| 30-015-21632 | COG Operating, LLC | N G Phillips St. | 16 | Р | Active | 2310' | N | 1650' | W | F | 27 | 17S | 28E | 845' |
| 30-015-25513 | COG Operating, LLC | N G Phillips St. | 38 | Р | Active | 2272' | N | 1750' | W | F | 27 | 17S | 28E | 3,100' |
| 30-015-34111 | LRE Operating, LLC | Wylie State | 2 | Р | Active | 990' | N | 990' | E | A | 28 | 17S | 28E | 3,575' |
| 30-015-40063 | LRE Operating, LLC | Welch RL State | 17 | Р | NYD | 990' | N | 1650' | E | B | 28 | 17S | 28E | 3,650' |
| 30-015-40066 | LRE Operating, LLC | Wylie State | 5 | Р | NYD | 990' | N | 330' | E | A | 28 | 175 | 28E | 3,650' |
| | · - · · · · · · · · · · · · · · · · · · | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| NYD-Not Y | et Drilled; | | | | | | | | | | | | ····· | |
| | of Review Well List inc ge in the AOR area. (See | | | not inc | cluded in | the or | igina | l appli | catio | n. The | ese we | lls are | now ir | Icluded |

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

TO: OFFSET LEASEHOLD OWNERS & SURFACE OWNER

Re: Apache Corporation
Form C-108: Application to Amend Order No. SWD-1378
Geronimo 28 State SWD No. 2
API No. 30-015-40876
2135' FSL & 690' FEL, Unit I, Section 28, T-17S, R-28E, NMPM, Eddy County, New Mexico

Ladies & Gentlemen:

By Order No. SWD-1378 dated January 3, 2013 Apache Corporation ("Apache") was authorized to utilize its Geronimo 28 State SWD No. 2, which was initially proposed to be drilled 1655 feet from the South line and 800 feet from the East line (Unit I) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, as a produced water disposal well, injection to occur into the Devonian and Ellenburger formations through the perforated interval from 11,404 feet to 12,500 feet. As an offset operator/leasehold owner/surface owner, you were provided a copy of the C-108 application that was originally filed for this well on December 3, 2012.

Due to surface obstructions, Apache Corporation now proposes to drill the Geronimo 28 State SWD No. 2 at a surface location 2135 feet from the South line and 690 feet from the East line (Unit I) of Section 28. Consequently, Apache is seeking to amend Order No. SWD-1378 to approve the new well location.

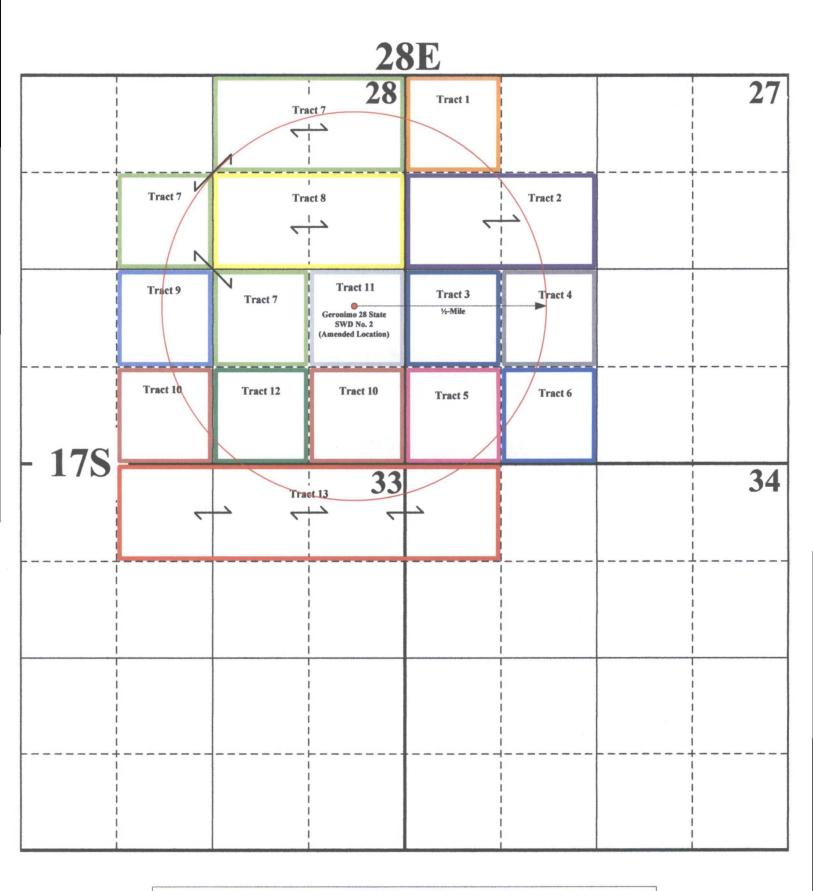
Enclosed please find an amended C-108 application for the Geronimo 28 State SWD No. 2. Please be advised that Apache seeks to amend Order No. SWD-1378 only with respect to the well location. All wellbore configuration and operations as proposed in the original application will remain the same.

Objections must be filed with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 15 days. If you should have any questions, please contact me at (505) 690-9453.

Sincerely, mid

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

Enclosure



Apache Corporation Form C-108: Application to Amend SWD-1378 Geronimo 28 State SWD No. 2 Offset Leasehold Owner Tract Identification

Apache Corporation Form C-108: Application to Amend SWD-1378 Geronimo 28 State SWD No. 2 Section 28, T-17 South, R-28 East, NMPM Eddy County, New Mexico

Offset Leasehold Owner Notification List (See Attached Map)

Tracts No. 1, 7 & 8

Leasehold Owners (All Depths below 3,500' Less & Except the Morrow Formation):

ConocoPhillips Company P.O. Box 7500 Bartlesville, Oklahoma 74005

Marathon Oil Company P.O. Box 552 Midland, Texas 79702

Trust Q U/W/O Peggy A. Yates, deceased 207 South 4th Street Artesia, NM 88210

Spiral, Inc. P.O. Box 1933 Roswell, New Mexico 88202-1933

Marigold, LLLP P.O. Box 1290 Artesia, NM 88211-1290 RSE Partners I L.P. 3141 Hood Street, #350 Dallas, Texas 75219

Yates Petroleum Corporation 105 S. Fourth Street Artesia, New Mexico 88210

Sharbro Energy, LLC P.O. Box 840 Artesia, New Mexico 88211-0840

Santo Legado, LLP P.O. Box 1020 Artesia, New Mexico 88211-1020 Khody Land & Minerals Co. 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102

John A Yates, MSU 207 S. Fourth Street Artesia, New Mexico 88210

Yates Industries, LLC P.O. Box 1091 Artesia, New Mexico 88211-1091

Tulipan, LLC P.O. Box 1020 Artesia, New Mexico 88211-1020

Tract No. 2

Leasehold Owner (All depths below 4,000'):

OXY USA WTP, Ltd. Partnership P.O. Box 50250 Midland, TX 79710

Tract No. 3

Leasehold Owner (All depths below the base of the Abo Formation):

Khody Land & Minerals Company 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102 Apache Corporation Form C-108: Application to Amend SWD-1378 Geronimo 28 State SWD No. 2 Section 28, T-17 South, R-28 East, NMPM Eddy County, New Mexico

Offset Leasehold Owner Notification List (Page 2)

Tract No. 4

Leasehold Owner: (All depths)

Yates Petroleum Corporation 105 S. Fourth Street Artesia, New Mexico 88210

Trust Q U/W/O Peggy A. Yates, deceased 207 South 4th Street Artesia, NM 88210

Spiral, Inc. P.O. Box 1933 Roswell, NM 88202-1933 John A Yates, MSU 207 S. Fourth Street Artesia, New Mexico 88210

Sharbro Energy, LLC P.O. Box 840 Artesia, New Mexico 88211-0840 Artesia, New Mexico 88211-1290 Yates Industries, LLC

Marigold, LLLP P.O. Box 1290

P.O. Box 1091 Artesia, New Mexico 88211-1091

Santo Legado, LLP P.O. Box 1020 Artesia, New Mexico 88211-1020

Tulipan, LLC P.O. Box 1020 Artesia, New Mexico 88211-1020

Tract No. 5

Leasehold Owners (All depths below the base of the Abo Formation):

COG Operating, LLC 600 W. Illinois Ave. One Concho Center Midland, Texas 79701

Concho Oil & Gas Company 600 W. Illinois Ave. One Concho Center Midland, Texas 79701

Tracts No. 6 & 9

Leasehold Owner (All depths below the base of the Yeso Formation):

ConocoPhillips Company P.O. Box 7500 Bartlesville, Oklahoma 74005 Chisos Ltd. 670 Donna Ana Road Deming, New Mexico 88030 Roca Exploration, Ltd. P.O. Box 1981 Midland, Texas 79702

<u>Tract No. 10</u>

Leasehold Owners: (All depths):

ConocoPhillips Company P.O. Box 7500 Bartlesville, Oklahoma 74005 Chisos Ltd. 670 Donna Ana Road Deming, New Mexico 88030 Roca Exploration, Ltd. P.O. Box 1981 Midland, Texas 79702

Apache Corporation Form C-108: Application to Amend SWD-1378 Geronimo 28 State SWD No. 2 Section 28, T-17 South, R-28 East, NMPM Eddy County, New Mexico

Offset Leasehold Owner Notification List (Page 3)

Tract No. 11

Leasehold Owners (All depths below 3,500'):

Oxy USA WTP, Ltd. Partnership P.O. Box 50250 Midland, Texas 79710 McCombs Energy, LLC 5599 San Felipe, Suite 1200 Houston, Texas 77056-2794

Tract No. 12

Leasehold Owners (All depths below the base of the Morrow Formation):

Yates Petroleum Corporation 105 S. Fourth Street Artesia, New Mexico 88210 Khody Land & Minerals Company 210 Park Avenue, Suite 900 Oklahoma City, Oklahoma 73102

Marathon Oil Company P.O. Box 552 Midland, Texas 79702

ZPZ Delaware I, LLC (Wholly owned subsidiary of Apache Corporation)

Tract No. 13

Leasehold Owners (All depths):

ZPZ Delaware I, LLC (Wholly owned subsidiary of Apache Corporation)

Surface Owner

Commissioner of Public Lands P.O. Box 1148 Santa Fe, New Mexico 87504-1148

Additional Notice

Oil Conservation Division 811 S. First Street Artesia, New Mexico 88210

Form C-108: Application to Amend SWD-1378 Apache Corporation Geronimo 28 State SWD No. 2 Section 28, T-17 South, R-28 East, NMPM, Eddy County, New Mexico

The following-described legal notice will be published in the:

Artesia Daily Press 503 W. Main Street Artesia, New Mexico 88210-2067

The Affidavit of Publication will be forwarded to the Division upon receipt by Apache Corporation.

LEGAL NOTICE

Apache Corporation, 303 Veterans Airpark Lane, Suite 3000, Midland, Texas 79705 has filed a Form C-108 (Application for Authorization to Inject) with the Oil Conservation Division ("Division") seeking to amend Order No. SWD-1378 dated January 3, 2013. This order authorized Apache Corporation to utilize its proposed Geronimo 28 State SWD No. 2 (API No. 30-015-40876), which was initially proposed to be drilled 1655 feet from the South line and 800 feet from the East line (Unit I) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, as a produced water disposal well in the Devonian and Ellenburger formations. Injection was authorized to occur through the perforated interval from approximately 11,404 feet to 12,500 feet.

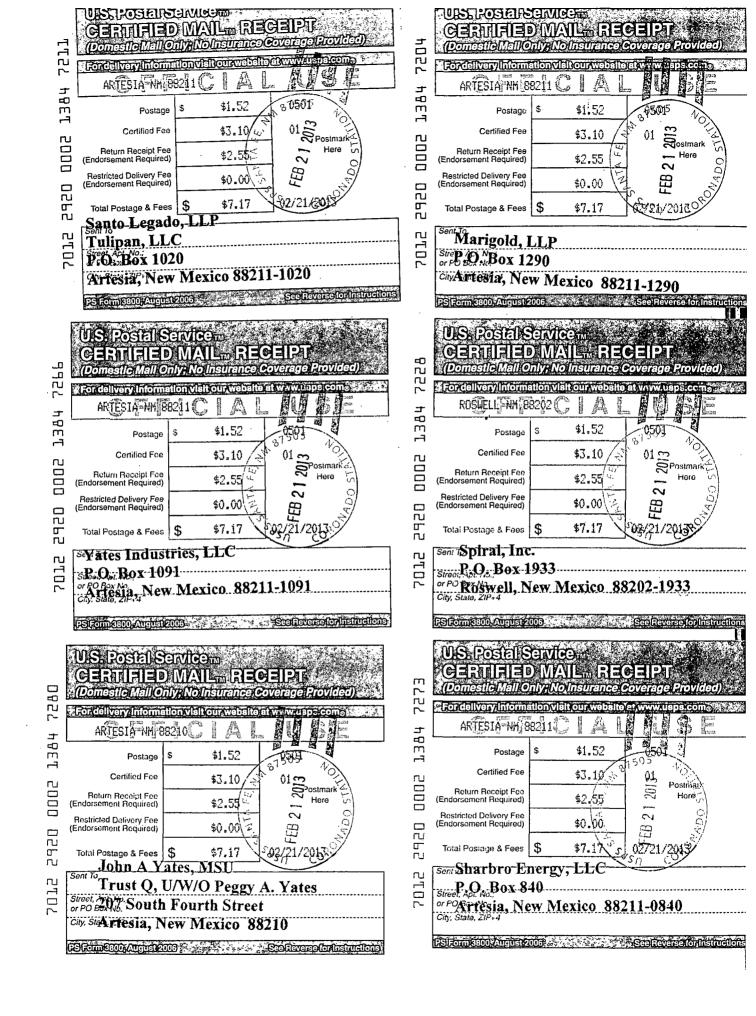
Produced water from the Glorieta & Yeso formations originating from Apache Corporation operated wells in this area will be injected into the Geronimo 28 State SWD No. 2 at average and maximum rates of 4,000 and 15,000 barrels of water per day, respectively. The initial surface injection pressure for the well is anticipated to be at or below 2,280 psi., which is in compliance with Division regulations. The maximum surface injection pressure will be determined by step rate injection test.

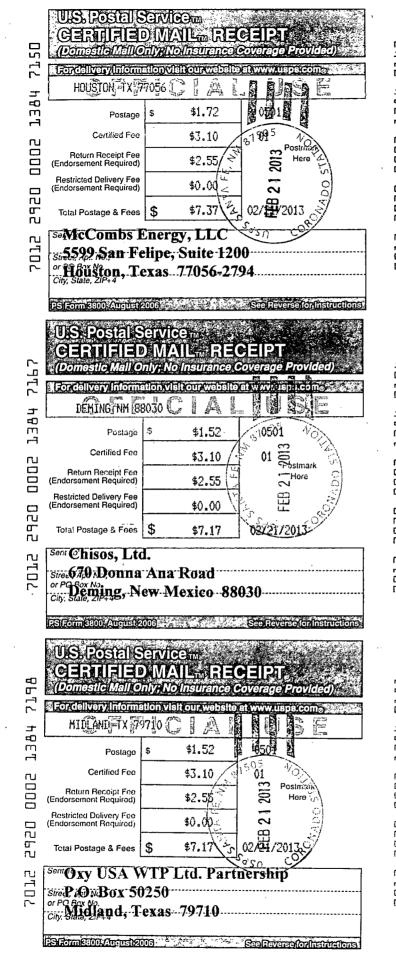
Due to surface obstructions, Apache Corporation now proposes to drill the Geronimo 28 State SWD No. 2 at a surface location 2135 feet from the South line and 690 feet from the East line (Unit I) of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

The proposed amendment is to approve the new well location only and all other provisions of Order No. SWD-1378 will remain the same.

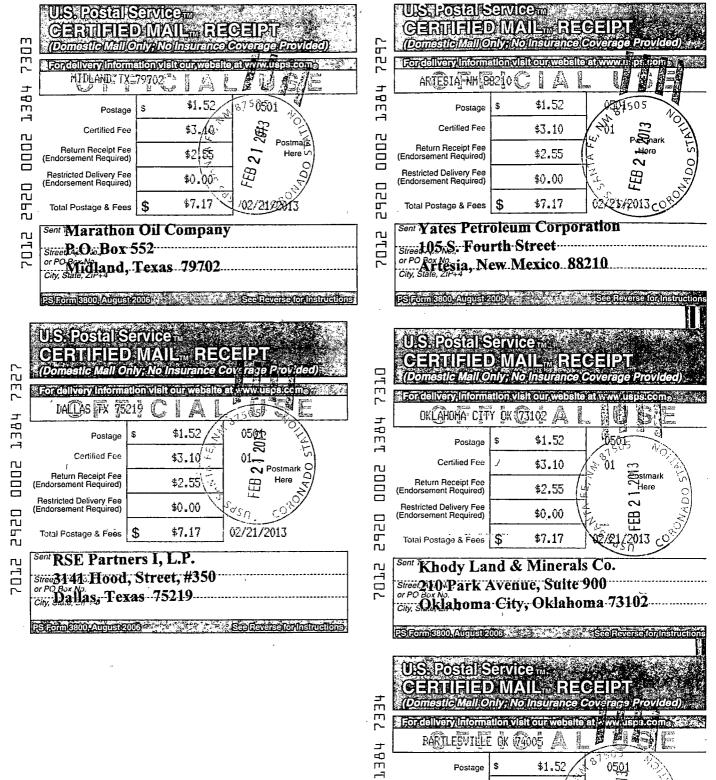
Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 15 days of the date of this publication.

Additional information can be obtained by contacting Mr. David Catanach Agent-Apache Corporation at (505) 690-9453.





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