

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Apache

E.W. Walden # 16

**ADMINISTRATIVE APPLICATION CHECKLIST**

6146

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.

Michelle Hanson

Landman

1/19/2010

Print or Type Name

Signature

Title

Date

Michelle.hanson@apachecorp.com  
 e-mail Address

Application of Apache Corporation for administrative approval of an unorthodox well location:

40 acres – SHL: 2000' FSL & 1550' FWL — K  
 BHL: 1310' FSL & 1310' FWL — M  
 Section 15, Township 22 South, Range 37 East, NMPM  
 Lea County, New Mexico

*SW/4 15*

PRIMARY OBJECTIVES: Blinebry, Tubb, Drinkard and Abo

In support:

1. Apache Corporation (Apache) is the operator of the proposed **EW Walden #16** well (**Exhibit 1**).
2. Pool rules that apply to the proposed location are Blinebry Oil & Gas (oil), Tubb Oil & Gas (oil), Drinkard and Wantz; Abo. The proposed unorthodox location encroaches on spacing units 15K, 15L, 15M and 15N. Said units have seven (7) wells currently producing from one or more of the aforementioned zones (**Exhibit 1**). The cumulative and daily production values are displayed on **Exhibit 2**.

API					Cum thru 8-09	Daily
30025	Op.	Well	Loc	Pool	O/G/W	O/G/W
10270	Apache Corp	E W Walden #2	K	Blinebry Oil & Gas, Drinkard	112/2408/58	1/13/2
10271	Apache Corp	E W Walden #3	N	Tubb Oil & Gas	4/116/6	TA'd
10272	Apache Corp	E W Walden #4	L	Blinebry Oil & Gas, Drinkard	181/2069/20	2/23/16
10273	Apache Corp	E W Walden #5	L	Tubb Oil & Gas, Drinkard	128/909/11	1/32/0
10274	Apache Corp	E W Walden #6	M	Blinebry Oil & Gas, Tubb Oil & Gas, Drinkard	167/706/117	3/20/6
10275	Apache Corp	E W Walden #7	N	Blinebry Oil & Gas, Drinkard	229/3846/51	3/24/4
38371	Apache Corp	E W Walden #9	K	Blinebry Oil & Gas, Tubb Oil & Gas, Drinkard	6/100/15	5/98/9
38876	Apache Corp	E W Walden #10	N	Blinebry Oil & Gas, Tubb Oil & Gas, Drinkard	6/63/24	10/190/27

MBO  
 MMCFG  
 MBW

BOPD  
 MCFGPD  
 BWPD

- The proposed EW Walden #16 location of 1310' from south line and 1310' from west line is based upon drainage considerations.

### Location and Drainage

The proposed EW Walden #16 is a "true" 20 Acre infill location between existing Blinebry, Tubb and Drinkard producers. It is approximately equidistant from those wells and should encounter an undrained reservoir volume.

The following table provides drainage areas of the offset wells calculated from SophiH taken off contoured isopach maps or from log calculations.

		21S 37E		SophiH	Area	EUR	EUR
Oper.	Well	Loc	Reservoir	ft	ac	MBO	MMCFG
Apache	E W Walden #2, #9	K	B-T-D			128	2698
Apache	E W Walden #4, #5	L	B-T-D			177	3003
Apache	E W Walden #6	M	B-T-D			170	725
Apache	E W Walden #3, #7, #10	C	B-T-D			194	4330

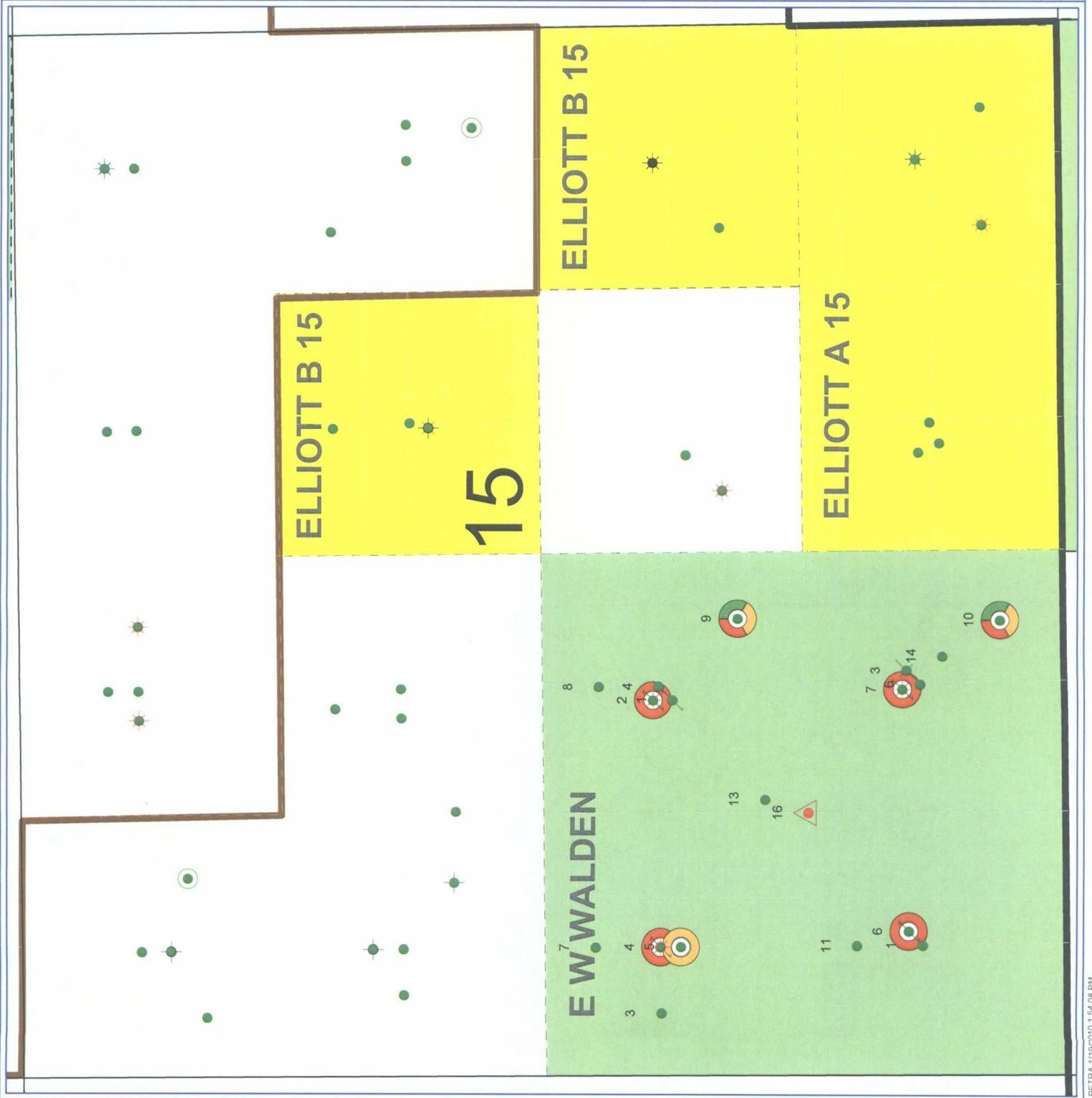
Reserves for the proposed location were calculated by averaging the offset drainage areas and SophiH and applying it to the new location. Any competitive drainage is shared between the proposed well and the existing offset wells. The results are as follows:

				SophiH	Area	EUR	EUR
Oper.	Well	Loc	Reservoir	ft	ac	MBO	MMCFG
Apache	E W Walden #16	M	B-T-D			38.5	308

### 4. Notice

The proposed **EW Walden #16** only operated Blinebry, Tubb and Drinkard wells. Therefore, no other parties need to be notified.

- Approval of this application will afford the interest owners in these spacing units an opportunity to recover oil and gas which would not otherwise be recovered and will do so without violating correlative rights.



EW Walden #16

EXHIBIT 1 to NSL Application  
 BHL: 1310' FSL & 1310' FWL  
 Sec 15-T22S-R37E, Lea Co., NM



POSTED WELL DATA  
 Well Number



- ATTRIBUTE MAP
- WELL SYMBOLS
- Dry Hole, With Show of Oil
  - Dry Hole
  - Gas Well
  - Proposed Drilling Location
  - Oil & Gas Well
  - Oil Well
  - Active Producer
  - Shut In Oil Well
  - Temporarily Abandoned Oil Well

By: Michelle Hanson  
 January 19, 2010



EW Walden #16

EXHIBIT 2 to NSL Application  
 BHL: 1310' FSL & 1310' FWL  
 Sec 15-T22S-R37E, Lea Co., NM



POSTED WELL DATA  
 Well Number

- WELL - OTHER (BB-9)
- WELL - CUMULUS (BB-3)
- WELL - CORR DAILY DRILLING (EPDP)
- WELL - CORRELATION (CUMULUS) (EPDP)



- WELL SYMBOLS  
 Dry Hole, With Show of Oil  
 Dry Hole  
 Gas Well  
 Proposed Drilling Location  
 Oil & Gas Well  
 Oil Well  
 Active Producer  
 Shut In Oil Well  
 Temporarily Abandoned Oil Well

By: Michelle Hanson  
 January 19, 2010

**Brooks, David K., EMNRD**

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**From:** Brooks, David K., EMNRD  
**Sent:** Monday, February 08, 2010 9:48 AM  
**To:** 'Hanson, Michelle'  
**Subject:** NSL Applications: EW Walden #16; H Corrigan #22; Chesterfield #3; Owen B #13

Dear Ms. Hanson

Upon receiving your email from Friday concerning the JG Hare, I checked several other applications on my desk, and noted that, as you say, you have addressed the notice issue in each of these applications with the statement that the units toward which the locations encroach are operated by Apache.

As in the case of the JG Hare, I need you to confirm specifically:

Re the EW Walden #16 application, that working interest ownership is identical throughout the SW/4 of Section 15-22S-37E;

Re the H Corrigan #22 application, that working interest ownership is identical throughout the NE/4 of Section 4-22S-37E;

Re the Chesterfield #3 application, that working interest ownership is identical for the SE/4 NE/4 and the NE/4 SE/4 of Section 14-20S-38E.

Additionally, it would be helpful to me in future NSL applications if you would include with your application a copy of the Form C-102 for the proposed well.

Sincerely

David K. Brooks  
Legal Examiner

## Brooks, David K., EMNRD

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**From:** Hanson, Michelle [Michelle.Hanson@apachecorp.com]  
**Sent:** Monday, February 08, 2010 10:13 AM  
**To:** Brooks, David K., EMNRD  
**Subject:** RE: NSL Applications: EW Walden #16; H Corrigan #22; Chesterfield #3; Owen B #13

Hi David,

Apache owns 100% leasehold working interest in the SW/4 of Section 15-22S-37E (EW Walden Lease), as to the Blinebry, Tubb, Drinkard and Abo formations.

Apache owns 100% leasehold working interest in the NE/4 of Section 4-22S-37E (H Corrigan Lease), as to the Blinebry, Tubb, Drinkard and Abo formations.

Apache owns 100% leasehold working interest in the SE/4 NE/4 and NE/4 SE/4 of Section 14-20S-38E (Chesterfield & Lucky Strike Leases), as to the Blinebry, Tubb and Drinkard formations.

Apache owns 100% leasehold working interest in the SW/4 of Section 34-21S-37E (Owen B Lease), as to the Blinebry, Tubb, Drinkard, Abo and Granite Wash formations.

Further, I will be sure to include a Form C-102 for the proposed well with any future submitted NSL applications. Thank you very much for your guidance in this matter.

*Michelle Hanson*

Landman

**Apache Corporation**

6120 S. Yale Ave., Suite 1500

Tulsa, OK 74136

(918) 491-4838 office

(918) 491-4854 fax

[michelle.hanson@apachecorp.com](mailto:michelle.hanson@apachecorp.com)

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**From:** Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]  
**Sent:** Monday, February 08, 2010 10:48 AM  
**To:** Hanson, Michelle  
**Subject:** NSL Applications: EW Walden #16; H Corrigan #22; Chesterfield #3; Owen B #13

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David K. Brooks  
Legal Examiner

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