

DHC-HOB

Order Number

0395

API Number

30-025-39715

Operator

Apache Corp

County

Lea/Fee

Order Date

07/22/10

Well Name

H Corrigan

Number

22

Location

H

UL

4

Sec

22S

T (+Dir)

37E

R (+Dir)

Oil %

33%

Gas %

20%

WTR

42%

Pool 1

06660

Blinbry O&G <OIL>

Pool 2

60240

Tubb O&G <OIL>

24%

31%

15%

Pool 3

7900

Brenson Drinkard-Abo S.

43%

43%

43%

Pool 4

Comments:

Posted RBDMS dm 7/22/10

DOWNHOLE COMMINGLE CALCULATIONS:

DHC-HDB-0395
AIP # 30-025-39715

OPERATOR: Apache Corp

PROPERTY NAME: H Corrigan

WNULSTR: #22-H, 4-22s-37e

SECTION I:

	ALLOWABLE AMOUNT	
POOL NO. 1 <u>Blineby O&G <OIL></u>	<u>107</u> <u>428</u> MCF	<u>4000</u>

POOL NO. 2 <u>Tubb O&G <OIL></u>	<u>142</u> <u>284</u> MCF	<u>2000</u>
--	---------------------------	-------------

POOL NO. 3 <u>Brunson Drinkard-Abo S</u>	<u>142</u> <u>852</u> MCF	<u>6000</u>
--	---------------------------	-------------

POOL NO. 4 _____	_____ MCF	
------------------	-----------	--

POOL TOTALS 391 1564

SECTION II:

	<u>OIL</u>	<u>GAS</u>
POOL NO. 1 <u>Blineby O&G <OIL></u>	<u>33%</u>	<u>20%</u>

POOL NO. 2 <u>Tubb O&G <OIL></u>	<u>24%</u>	<u>37%</u>
--	------------	------------

POOL NO. 3 <u>Brunson Drinkard-Abo S</u>	<u>43% X 391 = 168.13</u>	<u>43%</u>
--	---------------------------	------------

POOL NO. 4 _____		
------------------	--	--

OIL

GAS

SECTION III:

43% ÷ 142 = 330.23 <330> _____

SECTION IV:

33% X 330 = 108.9 <109> _____

24% X 330 = 79.2 <79> _____

43% X 330 = 141.9 <142> _____

Submit 3 Copies To Appropriate District
Office
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

Form C-103
June 19, 2008

RECEIVED

JUL 20 2010

HOBBSDO

CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. ☒ 30-025-39715
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name H Corrigan ☒
8. Well Number 022 ☒
9. OGRID Number 873 ☒
10. Pool name or Wildcat Bli O&G (Oil)/Tubb O&G (Oil/Drinkard) ☒

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other: ☒

2. Name of Operator
Apache Corporation ☒

3. Address of Operator
303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705

4. Well Location
Unit Letter H : 1550 feet from the North line and 1280 feet from the East line
Section 4 Township 22S Range 37E NMPM County Lea ☒

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3448' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. R-11363

Pool Names:

Blinbry Oil & Gas (Oil) 6660
Tubb Oil & Gas (Oil) 60240
Brunson; Drinkard-Abo, S 7900

Proposed Perforations:

Blinbry 5590' - 5753'
Tubb 6051' - 6212'
Drinkard 6480' - 6601'

The allocation method will be as follows based on offset production. (See attached application for exception to Rule 303-C.)

	OIL	GAS	WATER
Blinbry	33%	20%	42%
Tubb	24%	37%	15%
Drinkard	43%	43%	43%

DHC-HOB-0395

Downhole commingling will not reduce the value of these pools. Ownership is the same for each of these pools.

Spud Date: 05/11/2010

Rig Release Date: 05/22/2010

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

SIGNATURE Reesa Holland TITLE Sr. Engr Tech DATE 07/13/2010

Type or print name Reesa Holland E-mail address: Reesa.Holland@apachecorp.com PHONE: 432/818-1062

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 21 2010

Conditions of Approval (if any):

F.M.

RECEIVED

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

JUL 20 2010

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

HOBBSOCD

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39715 ✓	Pool Code 6660 ✓	Pool Name BLUEBRY OIL + GAS (OIL)
Property Code 26470 ✓	Property Name H. CORRIGAN ✓	Well Number 22 ✓
OGRID No. 873 ✓	Operator Name APACHE CORPORATION ✓	Elevation 3448'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22-S	37-E		1550	NORTH	1280	EAST	LEA ✓

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
1	4	22-S	37-E		1285	NORTH	1307	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

LOT 4 39.91 AC	LOT 3 39.86 AC	LOT 2 39.80 AC	LOT 1 39.75 AC
-------------------	-------------------	-------------------	-------------------

GR. AZ. = 353°36'47"
HORZ. DIST. = 266.4'

B.H.

S.L.

1285'

1550'

1307'

1280'

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.

Reesa Holland 7-13-10
Signature Date

REESA HOLLAND
Printed Name

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.

MARCH 7, 2010
Date Surveyed

G. EIDSON DSS
Signature & Seal of Professional Surveyor

GARY EIDSON 3/5/10
10.13.0294

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

GEODETIC COORDINATES
NAD 27 NME
SURFACE LOCATION
Y=519846.4 N
X=861082.5 E

LAT.=32.423736° N
LONG.=103.163152° W

LAT.=32°25'25.45" N
LONG.=103°09'47.35" W

BOTTOM HOLE LOCATION
Y=520110.8 N
X=861052.2 E

RECEIVED

JUL 20 2010

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBSOCD

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39715	Pool Code 60240	Pool Name TUBB OIL + GAS (OIL)
Property Code 26470	Property Name H. CORRIGAN	Well Number 22
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3448'

Surface Location

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22-S	37-E		1550	NORTH	1280	EAST	LEA

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
1	4	22-S	37-E		1285	NORTH	1307	EAST	LEA

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
------------------------------	-----------------	--------------------	-----------

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

LOT 4 39.91 AC	LOT 3 39.86 AC	LOT 2 39.80 AC	LOT 1 39.75 AC
-------------------	-------------------	-------------------	-------------------

GR. AZ. = 353°36'47"
HORZ. DIST. = 266.4'

B.H.

S.L.

1285'

1550'

1307'

1280'

GEODETIC COORDINATES
NAD 27 NME
SURFACE LOCATION
Y=519846.4 N
X=861082.5 E

LAT.=32.423736° N
LONG.=103.163152° W

LAT.=32°25'25.45" N
LONG.=103°09'47.35" W

BOTTOM HOLE LOCATION
Y=520110.8 N
X=861052.2 E

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.

Reesa Holland 7-13-10
Signature Date

REESA HOLLAND
Printed Name

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.

MARCH 3, 2010
Date Surveyed

Signature & Seal of Professional Surveyor

12841

10.13.0294

Certificate No. 12641
RONALD J. EIDSON 3239

RECEIVED

JUL 20 2010

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39715	Pool Code 19190	Pool Name DRINKARD
Property Code 26470	Property Name H. CORRIGAN	Well Number 22
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3448'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	4	22-S	37-E		1550	NORTH	1280	EAST	LEA

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
1	4	22-S	37-E		1285	NORTH	1307	EAST	LEA

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

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

LOT 4 39.91 AC	LOT 3 39.86 AC	LOT 2 39.80 AC	LOT 1 39.75 AC
GR. AZ. = 353°36'47" HORZ. DIST. = 266.4'			
GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=519846.4 N X=861082.5 E LAT.=32.423736° N LONG.=103.163152° W LAT.=32°25'25.45" N LONG.=103°09'47.35" W BOTTOM HOLE LOCATION Y=520110.8 N X=861052.2 E			

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.

Reesa Holland 7/13/10
Signature Date

REESA HOLLAND
Printed Name

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.

MARCH 3 2010
Date Surveyed DSS

GARY EIDSON
Signature & Seal of Professional Surveyor

12641
10.13.0294

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

Lease Name	Well Number	10DIGITAPI	Location	Cum.Oil (BBL)			Cum.Gas (MCF)			Cum.Water (BBL)		
				Blnebyr	Tubb	Drnkard	Blnebyr	Tubb	Drnkard	Blnebyr	Tubb	Drnkard
C H WEIR B	1	3002506058	11H 20S 37E			334807			4578494			35008
C H WEIR B	2	3002506059	11A 20S 37E	18777		108359	53506		523161	97254		54452
C H WEIR B	4	3002506061	11I 20S 37E	17741	1829	15505	145291	1347748	34553	2956	516	504
C H WEIR B	5	3002506062	11G 20S 37E	52948		40986	652939		256046	40677		61738
SKAGGS B	1	3002506063	12D 20S 37E			138548			1054875			58886
C H WEIR A	4	3002506070	12E 20S 37E		1776	111608		463381	3652870		5533	20420
C H WEIR A	7	3002506073	12L 20S 37E N2 NW SW	37		118980	161187	294937	4106789	10073	666	176346
C H WEIR A	8	3002506074	12F 20S 37E	105504	4300	67363	1237711	1358022	1156552	10685	418	3912
C H WEIR A	9	3002506075	12K 20S 37E	2854			2211788			135		
M B WEIR B	7	3002506080	12M 20S 37E	45310	39475	58134	1323590	6697739	761477	11901	10444	5093
M B WEIR B	8	3002506081	12N 20S 37E			2886			1917598			91
SEMU TUBB	2	3002506241	23E 20S 37E		7507	88601		90775	1461368		5050	28616
SEMU PENN	9	3002506243	23O 20S 37E			105408						
SEMU DRINKARD WEIR	4	3002506244	23G 20S 37E			7221			72292			268835
SEMU TUBB	7	3002506246	23F 20S 37E		7728	28429		35442	182326		10509	45294
SKAGGS B	8	3002506247	23C 20S 37E			263						
M J RALEY A	1	3002507781	18A 20S 38E C NE NE	41043			395932			37830		
FRED TURNER JR A	113	3002507786	18P 20S 38E C SE SE			15606			229309			137561
FRED TURNER JR A	119	3002507792	18J 20S 38E		7618	3994		44243	79331		8550	55143
FRED TURNER JR A	7	3002507793	18H 20S 38E C SE NE			20668			675198			33045
SEMU BURGER B	71	3002507797	18O 20S 38E			7775			1245875			47961
FRED TURNER JR A	13	3002507809	19A 20S 38E C NE NE	12260	11681		55301	59995		55843	97982	
SEMU BURGER	21	3002507816	19O 20S 38E C SW SE	84191		29030	430953	33858	388787	192048		99733
SEMU BURGER	72	3002512760	19B 20S 38E NE NW NE		30						60	
SKAGGS B	5	3002520089	12C 20S 37E	126809		183056	242367		1030832	150008		165899
L R KERSHAW	7	3002520091	13C 20S 37E	74063			337582			8601		
L R KERSHAW	8	3002520126	13D 20S 37E	64789			307456			3857		
L R KERSHAW	9	3002520495	13B 20S 37E	118	111036	21356		948190	404745		4542	3906
SEMU TUBB	83	3002520653	13G 20S 37E		27064			270332			2717	
SEMU BLINEBRY	86	3002520656	14D 20S 37E	28615	248607		164027	1527038		252311	21814	
L R KERSHAW	10	3002520932	13F 20S 37E		64015	12094		403031	279401		13041	13740
M B WEIR B	9	3002520963	12O 20S 37E	125244		98608	671136		2144261	83853		14878
C H WEIR A	10	3002520964	12J 20S 37E	82606		110646	1337765		596102	4271		14993
L R KERSHAW	11	3002521051	13E 20S 37E SW NW		2874			5467			3538	
C H WEIR A	11	3002521056	12G 20S 37E		24664	52702		2530513	1397854		107	250
C H WEIR B	6	3002521112	11P 20S 37E	44231		4233	392540		141237	4299		703
M B WEIR B	10	3002521113	12P 20S 37E	101728	38214	79933	700259	1581526	270768	19125	1410	1395
BRITT B	24	3002521223	11L 20S 37E	61283	78768		333691	1311081		117310	35954	
SEMU SKAGGS B	87	3002521232	14M 20S 37E	30893	32901		198280	756145		476780	77431	
H T ORCUTT NCT H	1	3002521257	11E 20S 37E		121684			1314926			14970	
C H WEIR B	7	3002521426	11J 20S 37E			24486			76849			38385
SKAGGS B AC 1	6	3002521459	11N 20S 37E C SE SW		67230			2089547			20364	
SEMU TUBB	88	3002521860	14F 20S 37E	60392	175586		1212765	2790138		14715	149864	
H T ORCUTT NCT H	2	3002521867	11C 20S 37E			6306			81389			5441
SEMU DRINKARD WEIR	95	3002524918	23J 20S 37E			51						4386
SEMU TUBB	96	3002525100	23I 20S 37E SW NE SE			29323	224249	31920	506580		102456	500427
SEMU SKAGGS B	97	3002525419	23K 20S 37E		26941	53837		208483	291535		113734	296406
SEMU	115	3002526641	23L 20S 37E	31417	74352	8271	56855	367615	139939	90516	60409	89771
SEMU SKAGGS B	120	3002527289	14B 20S 37E	20705	11303		133034	236288		55594	14298	
C H WEIR A	12	3002527398	12G 20S 37E	19492		150873	411866		3368295	5671		41130
C H WEIR A	13	3002527399	12G 20S 37E		14823			5055384			4251	
C H WEIR A	14	3002527829	12K 20S 37E NE SW		514			2457102			1247	
M B WEIR B	11	3002527917	12K 20S 37E		3641			1459864			8316	
SHAMU	1	3002527932	12A 20S 37E SW NE NE		41566	102489		281897	424395		36565	24340
MOBY	1	3002528036	7 20S 38E SW NW NW		44621	59562		150734	262634		36822	20178
BYERS B	1	3002528325	7H 20S 38E	35693			212997			226262		
BYERS B	2	3002528470	7G 20S 38E	6036	11469	33002	68021	48975	292257	17280	32323	69250
SKAGGS B	7	3002528570	12B 20S 37E		36234	85794		276445	957394		10164	24690
BYERS B	4	3002528708	7 20S 38E S2 SW NW		36560	47447	644191		44071	5289		37880
BYERS B	3	3002528744	7F 20S 38E		52201		326999			28724		
C H WEIR A	15	3002528849	12H 20S 37E W2 SE NE	32267	3564	184062	259552	51255	1329611	67115	40947	146569
MOBY	2	3002528960	7C 20S 38E S2 NE NW		73420		427388			28490		
CHRISTMAS	2	3002529048	7A 20S 38E NE NE NE	30420	18150	178	366853	1270235		3871	3880	
SEMU BURGER B	121	3002529089	18N 20S 38E E2 SE SW			5656			579028			10108
C H WEIR A	16	3002529207	12J 20S 37E			156041			2518431			13546
SKAGGS B	8	3002529254	12D 20S 37E		11566	50904		422514	1834818		20967	74550
BYERS B	5	3002529286	7 20S 38E NW NW SW		70308	43566		998272	145441		52315	43272
C H WEIR A	17	3002529320	12K 20S 37E			60131			4160718			7577
L R KERSHAW	12	3002529493	13C 20S 37E NE NW	15323	6226	32145	174219	41317	484844	102500	7961	225541
LEONARD	2	3002529513	7B 20S 38E NW NE	148196			1032525			22599		
C H WEIR A	18	3002529646	12I 20S 37E N2 NE SE	1443	31392	116501	3439	452810	956816	111320	83882	315812
C H WEIR A	19	3002529686	12F 20S 37E SE NW			115090			2164511			43741
C H WEIR B	8	3002529731	11A 20S 37E SE NE NE		6066	63402		731634	2159110		20881	74285
M B WEIR B	12	3002529734	12M 20S 37E SW SW	18793		32117	217615		2103541	332762		420599
C H WEIR B	9	3002529927	11G 20S 37E NE SW NE			881	57740	26416	479575		1956	291072
M B WEIR B	13Y	3002530119	12O 20S 37E NE SW SE		27145	58845		397116	1090514		25910	41874
C H WEIR B	10	3002530317	11I 20S 37E NE SE			10976			634758			161399
SEMU DRINKARD WEIR	122	3002530429	23D 20S 37E NW NW		50548	26767		408866	165430		40737	26092
L R KERSHAW	13	3002530623	13O 20S 37E NW NW		5754	27129		105672	2488949		2616	6048
L R KERSHAW	15	3002530806	13B 20S 37E NW NE	19185	31271	17624	211894	305405	210781	50146	53741	103075
L R KERSHAW	14	3002530863	14A 20S 37E NE NE	13331	4421	16510	92960	47367	120128	16419	8551	68003
M B WEIR B	14	3002531140	12N 20S 37E SE SW	68367			1366618			60003		
C H WEIR A	20	3002534096	12F 20S 37E			49078			987388			44212
SEMU BURGER B	125	3002534126	18 20S 38E SW SW SW		3940	1189		367025	130304		9756	26879
SEMU BURGER B	126	3002534127	19 20S 38E NE SW SW		11740	2708		1265341	83363		9099	11734
TURNER A	15	3002534143	18I 20S 38E			505			1454			2916

Lease Name	Well Number	10DIGITAPI	Location	Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
				Blinebry	Tubb	Drinkard	Blinebry	Tubb	Drinkard	Blinebry	Tubb	Drinkard
SEMU PERMIAN	128	3002534313	24I 20S 37E NW NE SE		4868	1017		92801			2364	1333
C H WEIR B	11	3002534603	11P 20S 37E NW SE SE		242	3415		153860	119726		711	17375
SKAGGS B AC 1	7	3002535008	11K 20S 37E C NE SW			22150			274338			20695
SEMU	162	3002535774	23C 20S 37E NE NE NW		2877	23128		2253	10257		10072	52930
SEMU	165	3002535835	14M 20S 37E NW SW SW						302088			
H T ORCUTT NCT H	3	3002536346	11F 20S 37E NW SE NW			11678			140002			13578
CHRISTMAS R	2	3002536348	7A 20S 38E NE NE NE	25221			774798			50383		
BYERS B	6	3002536444	7K 20S 38E S2 NE SW	8463	1196	2564		5787	12460	67698	2617	57879
BYERS B	7	3002536445	7J 20S 38E S2 NW SE	10848	2514	5038	37361	20922	14942	35469	8236	16469
BYERS B	8	3002536446	7I 20S 38E S2 NE SE	38506	5793	11593	153604	83479	59628	117277	16575	33156
CHRISTMAS	1	3002537044	11D 20S 37E SW NW NW			16253			52166			1799
MILLER	1	3002537190	7 20S 38E S2 SW SW		3705	8398		159119	64257		2747	21267
TRICKEY	1	3002537215	7O 20S 38E C SW SE	3607		602	10109		13071	3519		
TRICKEY	2	3002537216	18B 20S 38E C NW NE	19902	756	4533	69066	3454	100152	65135	2474	187018
C H WEIR B	13	3002537887	11O 20S 37E NW SW SE		39	17		31007	10550		3516	451
L R KERSHAW	16	3002538019	13A 20S 37E SE NE NE	5855	6961	12620	46013	51929	44380	29387	31775	57970
SEMU	174	3002538105	14E 20S 37E SE SW NW	12930	3632	564	33181	68994	56178	154610	96252	13845
SEMU	176	3002538502	23M 20S 37E N2 SW SW	5741	2692		15564	7173		33545	18679	
C H WEIR A	22	3002538965	12J 20S 37E SE NW SE	6699	1166	6698	44100	48231	45477	5947	2641	4623
C H WEIR B	14	3002538966	11B 20S 37E C NW NE	5136	6238	6971	25400	36869	19665	18575	8254	14446
C H WEIR B	15	3002538967	11I 20S 37E SW NE SE	5921	2691	2155	24346	101951	25869	31258	13894	24312
SEMU	175	3002539187	23H 20S 37E SE SE NE	1328	1445		5009	5388		10289	10807	
SEMU	179	3002539188	23N 20S 37E NE SE SW	3680	620		11781	1986		61005	10433	
SEMU	180	3002539189	13L 20S 37E NW NW SW	1600	1142	1472	6060	4311	5589	4660	3319	4301
TOTALS				1,959,742	1,700,923	3,932,193	19,855,737	44,299,338	61,287,545	3,507,850	1,534,630	5,203,037
AVERAGES				36,292	26,168	47,954	374,637	671,202	785,738	66,186	23,252	66,706

Proposed Allocations	Oil	Gas	Water
Blinebry	33%	20%	42%
Tubb	24%	37%	15%
Drinkard	43%	43%	43%
TOTAL	100%	100%	100%

RECEIVED

JUL 20 2010

HOBBSOCD

July 13, 2010

Mr. Paul Kautz
New Mexico Oil Conservation Division
1625 N French Drive
Hobbs, New Mexico 88240

RE: Application for Exception to Rule 303-C – Downhole Commingling
H Corrigan #22
Unit H, Section 4, T-22-S, R-37-E (Surf Loc)
Lot 1, Section 4, T-22-S, R-37-E (BHL)
Blinbry Oil & Gas (Oil), Tubb Oil & Gas (Oil) & Drinkard
Lea County, New Mexico

Dear Mr. Kautz,

Enclosed please find form C-103 and attachments for downhole commingling the captioned well. The ownerships (WI, NRI and ORRI) of these pools are identical in this wellbore. The fluids from each of these pools are compatible as seen in other similar commingles in the area. Combining these fluids will not result in any damage to these pools. Commingling will improve the efficiency of present and future recovery operations. Cross flow will not be a problem due to having a production lift system capable of keeping the well pumped off thereby maximizing production. This commingling will not reduce the value of the total remaining production.

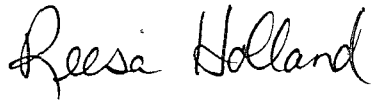
The allocation method used for this well was determined by analyzing the cumulative oil, gas and water production in a nine section area of review surrounding this well. Supporting documentation is shown on the attached spreadsheet. Production for active and inactive wells was grouped by pool in the area of review. The totals for each phase were then divided by the number of wells associated with this pool yielding an average. This average was used to determine the percentage allocation.

The main reason for using this method is based on economics and minimizing reservoir damage. Past completion practices had all three zones perforated and fracture stimulated during one full week. Each zone was isolated by a retrievable bridge plug to allow for production testing of each zone for allocation purposes. This testing period lasted as long as one month before a stabilized rate was observed thus allowing the next zone to be brought on and tested. During this time period the completion fluids used were still confined to the other reservoirs causing gel damage. It is a common practice to get these fluids out of the wellbore as soon as possible to help maximize productivity. On a cost basis it is more expensive to have a completion rig move in and out multiple times to bring on each new zone. Several other factors such as weather, other new completions and regulatory well work may interfere with these new wells.

The area of review used encompasses what has been accepted as a good statistical representation for allocation purposes. By using this allocation method all zones will be brought online in a more effective and efficient manner. This will in turn generate a higher productive rate and quicker revenue streams not only for the operator but for the State of New Mexico too.

If you need additional information or have any questions, please give me a call at (918) 491-4864.

Sincerely,

A handwritten signature in cursive script that reads "Reesa Holland". The signature is written in black ink and is positioned below the word "Sincerely,".

Reesa Holland
Sr. Engineering Technician