

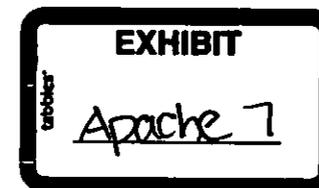
Findings Order No. R-13382-E:

GEOLOGY

(70) The vertical limit of these pools is established as from the top of the Glorieta formation, as found at a drilled depth of 4,519 feet in the EOG Resources Inc. Oak Lake 11 Federal Well No. 1 located 1070 feet from the South line and 860 feet from the East line, Unit P of Section 11, Township 17 South, Range 30 East, Eddy County, New Mexico, as shown on the Baker-Hughes Induction Electric Log of this well, through the top of the Abo formation or base of the Yeso formation, as found at the drilled depth of 6,674 feet as shown on the same electric log.

(71) The Yeso formation in this area includes the Paddock, Blinebry, Tubb and the Drinkard members. The Yeso formation consists of several pools covering at least three townships and six ranges in Eddy and Lea Counties, New Mexico. Oil production occurs mostly in the Paddock and the Blinebry members of these pools.

(72) The Yeso reservoir is characterized by very low porosity and low permeability with high degree of heterogeneity. It is thick, stratigraphic, lenticular and highly compartmentalized. The lower permeability in this reservoir decelerates recovery and protracts depletion.



The Apache logo, featuring the word "Apache" in a stylized, cursive font.