

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION RECEIVED 000

APPLICATION OF APACHE CORPORATION
FOR APPROVAL OF THE PACIFICO STATE
SAN ANDRES UNIT, IN LEA COUNTY, NEW
MEXICO.

2015 OCT 13 A 8:34

CASE NO. 15400

APPLICATION

Apache Corporation, ("Apache") by and through its attorneys, Modrall, Sperling, Roehl, Harris & Sisk, P.A., files this application with the Oil Conservation Division for an order approving its Pacifico State San Andres Exploratory Unit pursuant to 19.15.20.14 NMAC. In support of its application, Apache states:

1. The proposed Unit Area for the Unit consists of approximately 4,312.30 acres of state lands situated in Lea County, New Mexico, described as follows:

Township 10 South, Range 36 East, N.M.P.M.

Section 5: S/2
Section 6: S/2
Section 7: All
Section 8: All
Section 16: All
Section 17: N/2
Section 18: N/2, SW/4, and N/2SE/4
Section 19: N/2
Section 20: E/2
Section 21: NW/4 and W/2NE/4

2. Apache (OGRID No. 873) is the designated operator under the Unit Agreement. The unitized interval is the stratigraphic equivalent of the San Andres formation defined at a depth of 4,243' down to the base of the formation

at a measured depth of 5,643' as encountered in the Gainer 22 #1 well (API No. 30-025-38792) in Section 22, Township 10 South, Range 36 East, Lea County, New Mexico.

3. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.

4. Apache has received preliminary approval of the Unit Agreement from the New Mexico State Land Office.

5. The entire Unit Area will be developed and operated as a single participating area.

6. Pursuant to 19.15.20.14 NMAC, after notice and hearing, the Division may approve the combining of contiguous spacing units into a unitized area.

7. Approval of this Application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Apache Corporation requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on November 12, 2015, and that after notice and hearing as required by law, the Division enter its order granting this Application.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: _____
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Case No. 15400: Application of Apache Corporation For Approval of the Pacifico State San Andres Exploratory Unit, Lea County New Mexico. Applicant seeks approval of its Pacifico State San Andres Exploratory Unit consisting of approximately 4,312.30 acres of state lands situated in all or parts of Sections 5, 6, 7, 8, 16, 17, 18, 19, 20, and 21 of Township 10 South, Range 36 East, N.M.P.M., Lea County, New Mexico. The unitized interval is the stratigraphic equivalent of the San Andres formation defined at a depth of 4,243' down to the base of the formation at a measured depth of 5,643' as encountered in the Gainer 22 #1 well (API No. 30-025-38792) in Section 22, Township 10 South, Range 36 East, Lea County, New Mexico. The subject acreage is located approximately 3 miles Southeast of Crossroads, New Mexico.

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