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November 13, 2006

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 Case 13837

Dear Florene:

Enclosed for filing, on behalf of Apache Corporation, are an original and one copy of an application for simultaneous dedication, *etc.*, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the December 13th Examiner hearing. Thank you.

Very truly yours,

ames Bruce

Attorney for Apache Corporation

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2006 NOV 13 PM 1 22

APPLICATION OF APACHE CORPORATION FOR SIMULTANEOUS DEDICATION, AN UNORTHODOX GAS WELL LOCATION, AND APPROVAL OF TWO OPERATORS ON A GAS WELL UNIT, LEA COUNTY, NEW MEXICO.

APPLICATION

Apache Corporation applies for an order approving simultaneous dedication, an unorthodox gas well location, and approval of a second operator, in Section 6 of Township 23 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an interest owner in and the operator of the North Bell Lake Fed. Well No. 3, located 1930 feet from the north line and 660 feet from the east line of Section 6. The well is completed in the Ellenburger formation (North Bell Lake-Ellenburger Gas Pool).
- 2. Applicant proposes to re-complete the North Bell Lake Fed. Well No. 3 into the Devonian formation (North Bell Lake-Devonian Gas Pool). Under Order No. R-6424, the North Bell Lake-Devonian Gas Pool is developed on 640 acre spacing, with one well allowed per well unit, and wells to be located no closer than 1650 feet to the outer boundary of a section nor closer than 330 feet to a quarter-quarter section line.
- 3. Section 6 is currently dedicated, in the Devonian formation, to Kaiser-Francis Oil Company's Bell Lake Unit Well No. 6, located 660 feet from the south line and 1980 feet from the east line of Section 6.
- 4. Applicant requests authority to simultaneously dedicate production from the North Bell Lake-Devonian Gas Pool in Section 6 to both of the above-named wells, and that Apache Corporation be allowed to remain as operator of the North Bell Lake Fed. Well No. 3.

- 5. Applicant further requests approval of an unorthodox gas well location in the North Bell Lake-Devonian Gas Pool for the North Bell Lake Fed. Well No. 3.
 - 6. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

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Attorney for Apache Corporation

Proposed Advertisement

Case No. <u>13837</u>: Application of Apache Corporation for approval of simultaneous dedication, an unorthodox gas well location, and two operators on a gas well unit, Lea County, New Mexico. Applicant seeks approval to re-complete its North Bell Lake Fed. Well No. 3 as an infill well in an existing 640 acre gas spacing unit in the North Bell Lake-Devonian Gas Pool comprising all of Section 6, Township 23 South, Range 34 East, N.M.P.M., at an unorthodox location 1930 feet from the north line and 660 feet from the east line (Unit H) of Section 6. Applicant further seeks to simultaneously dedicate production from the North Bell Lake-Devonian Gas Pool in Section 6 to the North Bell Lake Fed. Well No. 3 and to Kaiser-Francis Oil Company's Bell Lake Unit Well No. 6, located 660 feet from the south line and 1980 feet from the east line (Unit O) of Section 6, and to allow applicant to operate the North Bell Lake Fed. Well No. 3. The unit is located approximately 18-1/2 miles southwest of Oil Center, New Mexico.