



(918) 491-4900
FAX: (918) 491-4853
FAX: (918) 491-4854

November 21, 2002

Offset Operators

RE: Application for a Non-Standard Location
State A #6
Hobbs Lower Blinbry Pool (#31650)
Lea County, New Mexico

Attached please find a copy of an Application for a Non-Standard Location that Apache Corporation has filed with the New Mexico Oil Conservation Division. If you have an objection to this application, you must notify the OCD in writing within 20 days from the date of this letter.

Sincerely,

APACHE CORPORATION

A handwritten signature in cursive script that reads "Tarah Fagen".

Tarah Fagen
Engineering Tech

Attachments



TWO WARREN PLACE, SUITE 1500 / 6120 SOUTH YALE / TULSA, OK 74136-4224

[918] 491-4900
FAX: [918] 491-4853
FAX: [918] 491-4854

November 21, 2002

State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

RE: Application for a Non-Standard Location and Proration Unit
State A #6
Hobbs Field
Lower Blinebry Pool (31650)
Lea County, New Mexico

Apache Corporation would like to request administrative approval for a Non-Standard Location for the referenced well in the Hobbs Field, Lower Blinebry Pool. It is our understanding that 2 wells are allowed in this 80 Acre Oil Pool. Apache currently operates the State A #5 well, which is a downhole commingled Drinkard/Lower Blinebry producer. The Lower Blinebry production from the #5 well is from the Hobbs Field, Lower Blinebry Pool. The State A #6 will be the second well to produce from this pool.

To support our request, we submit the following information:

- 1) The State A #6 well was drilled as a twin to the State A #4 well. The #4 is active in the Upper Blinebry Pool (31680). It was necessary to move the #6 location sufficient distance away from the #4 to avoid interference in the drilling/completion process.
- 2) NM-OCD Form C-101 to Plug Back in the State A #6.
- 3) NM-OCD Form C-102 for the State A #6 well.
- 4) NM-OCD Form C-102 for the State A #5 well.
- 5) Plat of Section 32 with Apache's State A Acreage (Consisting of 80 Acres) outlined on the plat.

6) Copy of letter sent (by Certified Mail) to all offset operators.

If you should have any questions, or require any further information regarding this application, please contact me at 918-491-4978. Thank you for your consideration.

Sincerely,

APACHE CORPORATION

A handwritten signature in cursive script that reads "William Greg Beaty". The signature is written in black ink and is positioned above the typed name and title.

William "Greg" Beaty
Senior Production Engineer

Attachments

Cc: New Mexico Oil Conservation Division
District I
1625 N. French Dr.
Hobbs, New Mexico

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
Revised March 17, 1999

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Apache Corporation, 6120 South Yale, Suite 1500 Tulsa, OK 74136-4224		² OGRID Number 873
		³ API Number 30 - 025-35304
³ Property Code 26481	⁵ Property Name State "A"	⁶ Well No. 6

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	18S	38E		990	North	1817	East	Lea

⁸ Proposed 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

⁹ Proposed Pool 1 Hobbs (Drinkard) - #31730	¹⁰ Proposed Pool 2 Hobbs (Lower Blinbry) - #31650
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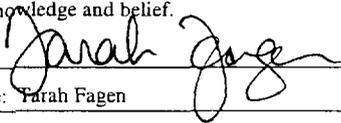
¹¹ Work Type Code P	¹² Well Type Code 0	¹³ Cable/Rotary Pulling Unit	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3641
¹⁶ Multiple Y	¹⁷ Proposed Depth 7150'	¹⁸ Formation Drinkard	¹⁹ Contractor Unknown	²⁰ Spud Date Plug Back 01/13/03

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
See Initial Application					

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by:	
Printed name: Sarah Fagen		Title:	
Title: Engineering Tech		Approval Date:	Expiration Date:
Date: 11/21/02	Phone: 918-491-4816	Conditions of Approval:	
Attached <input type="checkbox"/>			

District I
 1625 N. French Dr., Hobbs, NM 88240
District II
 1301 W. Grand Avenue, Artesia, NM 88210
District III
 0 Rio Brazos Rd., Aztec, NM 87410
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-102
 Revised August 15, 2000
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-23116		² Pool Code 31650		³ Pool Name Hobbs Lower-Blinebry	
⁴ Property Code 26481		⁵ Property Name State "A"			⁶ Well Number 5
⁷ OGRID No. 000873		⁸ Operator Name Apache Corporateion			⁹ Elevation 3648

¹⁰ Surface Location

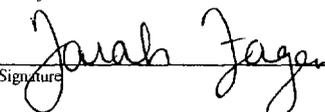
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	18S	38E		660	North	660	East	Lea

¹¹ 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

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Tarah Fagen Printed Name Engineering Tech Title 11/23/02 Date
	¹⁸ 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.
	Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
0 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35304		² Pool Code 31730		³ Pool Name Hobbs Lower-Blinebry	
⁴ Property Code 26481		⁵ Property Name State "A"			⁶ Well Number 6
⁷ OGRID No. 000873		⁸ Operator Name Apache Corporateion			⁹ Elevation 3641

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	18S	38E		990	North	1817	East	Lea

¹¹ 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

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ 	<p>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature: <u>Tarah Fagen</u> Tarah Fagen Printed Name Engineering Tech Title 11/23/02 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION <i>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.</i></p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>

VeriFax
Receipts

**KELLAHIN AND
KELLAHIN**

Attorney at Law
P.O. Box 2265
Santa Fe, New
Mexico 87504
117 North Guadalupe
Santa Fe, New
Mexico 87501

Telephone 505-982-
4285
Facsimile 505-982-
2047
TKELLAHIN@AOL
COM

FAX TRANSMITTAL FORM

To

Name: Michael E. Stogner
Office: OGD
Fax number: 505-476-3471

From

W. Thomas Kellahin
Telephone 505-982-4285
Facsimile 505-982-2047
TKELLAHIN@AOL.COM

- Urgent
- For Review
- Please Comment
- Please Reply

Date sent: 1-23-03
Time sent: 4:20 pm
Number of pages including cover page:

-3-

**Re: NMOCB Case 12986
Apache Corporation application for unorthodox well location**

Dear Mr. Stogner:

In accordance with your instructions at the conclusion of the hearing this morning, attached are copies of the green cards showing notification in this matter.

Very truly yours,

W. Thomas Kellahin

NOTICE OF CONFIDENTIALITY

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS CONFIDENTIAL AND INTENDED FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYER OR AGENT RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, COPYING, OR UNAUTHORIZED USE OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS FACSIMILE IN ERROR, PLEASE NOTIFY THE SENDER IMMEDIATELY BY TELEPHONE AND RETURN THE FACSIMILE TO THE SENDER AT THE ABOVE ADDRESS. THANK YOU.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Received by (Please Print Clearly)	B. Date of Delivery
1. Article Addressed to:		C. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
Suga Petroleum Limited Liability 415 W Wall St, Suite 1900 Midland, TX 79701-4417		<i>[Signature]</i>	DEC 12 2002
2. Article Number (Copy from service label)		D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No
PS Form 3811, July 1999		3. Service Type	<input type="checkbox"/> Express Mail
Domestic Return Receipt		<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Registered
102595-00-10032		<input type="checkbox"/> Insured Mail	<input checked="" type="checkbox"/> Return Receipt for Merchandise
		<input type="checkbox"/> C.O.D.	
		4. Registered Delivery? (Extra Fee)	<input type="checkbox"/> Yes

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Received by (Please Print Clearly)	B. Date of Delivery
1. Article Addressed to:		C. Signature	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
Shell Oil Company 910 Louisiana Street Houston, TX 77002-4916		<i>[Signature]</i>	12-11-02
2. Article Number (Copy from service label)		D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No
PS Form 3811, July 1999		3. Service Type	<input type="checkbox"/> Express Mail
Domestic Return Receipt		<input type="checkbox"/> Certified Mail	<input type="checkbox"/> Registered
102595-00-10032		<input type="checkbox"/> Insured Mail	<input checked="" type="checkbox"/> Return Receipt for Merchandise
		<input type="checkbox"/> C.O.D.	
		4. Registered Delivery? (Extra Fee)	<input type="checkbox"/> Yes

Post-It® Fax Note		7071	DATE 1/23/03	TO KELLAHIN
To	Tom Kellahin			
Co./Dept.	Apache			
Phone #	918 491-4816			
Fax #				

NON-PROFIT COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return this card to you. Attach this card to the back of the mailpiece, or on the back if space permits.

Article Addressed to:

Chevron USA, Inc.
P.O. Box 36366
Houston, TX 77236

1. Received by Please Print Clearly

2. Signature *[Signature]*

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Registered Delivery (Extra Fee)

4. Restricted Delivery (Extra Fee) Yes No

5. Date of Delivery Yes No

6. Return Receipt for Merchandise Yes No

7. Agent Yes No

8. Delivery address different from item 1? Yes No

9. If YES, enter delivery address below: Yes No

10. Signature *[Signature]*

11. Date of Delivery *DEC 12 2002*

12. City and State *HOUSTON TX*

Completely return 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return this card to you. Attach this card to the back of the mailpiece, or on the back if space permits.

Article Addressed to:
Aerofab On Company
P.O. Box 4614
Houston, TX 77004-0414

1. Received by Please Print Clearly

2. Signature *[Signature]*

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Registered Delivery (Extra Fee)

4. Restricted Delivery (Extra Fee) Yes No

5. Date of Delivery Yes No

6. Return Receipt for Merchandise Yes No

7. Agent Yes No

8. Delivery address different from item 1? Yes No

9. If YES, enter delivery address below: Yes No

10. Signature *[Signature]*

11. Date of Delivery *DEC 12 2002*

12. City and State *HOUSTON TX*

Form 3811, July 1999

Domestic Return Receipt

10259-014-000-01

NON-PROFIT COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return this card to you. Attach this card to the back of the mailpiece, or on the back if space permits.

Article Addressed to:

Shell Western E&P Inc
P.O. Box 576
Houston, TX 77001-0576

1. Received by Please Print Clearly

2. Signature *[Signature]*

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Registered Delivery (Extra Fee)

4. Restricted Delivery (Extra Fee) Yes No

5. Date of Delivery Yes No

6. Return Receipt for Merchandise Yes No

7. Agent Yes No

8. Delivery address different from item 1? Yes No

9. If YES, enter delivery address below: Yes No

10. Signature *[Signature]*

11. Date of Delivery *DEC 12 2002*

12. City and State *HOUSTON TX*

Completely return 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return this card to you. Attach this card to the back of the mailpiece, or on the back if space permits.

Article Addressed to:
Occidental Petroleum Ltd
P.O. Box 4294
Houston, TX 77002-0294

1. Received by Please Print Clearly

2. Signature *[Signature]*

3. Service Type
 Certified Mail
 Registered
 Insured Mail
 Registered Delivery (Extra Fee)

4. Restricted Delivery (Extra Fee) Yes No

5. Date of Delivery Yes No

6. Return Receipt for Merchandise Yes No

7. Agent Yes No

8. Delivery address different from item 1? Yes No

9. If YES, enter delivery address below: Yes No

10. Signature *[Signature]*

11. Date of Delivery *DEC 12 2002*

12. City and State *HOUSTON TX*

Form 3811, July 1999

Domestic Return Receipt

10259-004