<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 74583

Energy, Minerals and Natural Resources

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

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

| 1. Op | 1. Operator Name and Address | | | | | | |
|------------------|-------------------------------|---|--|--|--|--|--|
| · · | 873 | | | | | | |
| Ti | 3. API Number | | | | | | |
| 1. | 30-025-38894 | | | | | | |
| 4. Property Code | 6. Well No. | | | | | | |
| 22503 | 22503 NORTHEAST DRINKARD UNIT | | | | | | |
| | 7. Surface Location | · | | | | | |

| UL | - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----|-------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| | A | 2 | 215 | 37E | 9 | 330 | N | 330 | E | LEA |

8. Pool Information

| EUNICE:BLI-TU-DR_NORTH | 22900 |
|------------------------|-------|

Additional Well Information

| | 961 | | | 198 |
|-----------------------------------------|----------------------|-----------------------------------|-----------------------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3536 |
| 14. Mühtiple N | 15. Proposed Depth | 16. Formation Drinkard | 17. Contractor | 18. Spud Date 5/25/2008 |
| Depth to Ground 46 | water | Distance from nearest fresh water | Distance to nearest surface water | |
| it: Liner: Synthetic Closed Loop System | mils thick | Clay Pit Volume: bbls | Drilling Method: Fresh Water Brine 1 | Diesel/Oil-based Gas/Air |

19. Proposed Casing and Cement Program

| Туре | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25 | 8.625 | 24 | 1500 | 575 | |
| Prod | 7.825 | 5.5 | 17 | 7250 | 1100 | |

Casing/Cement Program: Additional Comments

| Casing/Centent Program: Additional Continents | | | | | | | |
|-----------------------------------------------|---------------------------------------------|--|--|--|--|--|--|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | Casing/Cenient Program: Additional Comments | | | | | | |

Proposed Blowout Prevention Program

| 8 | Туре | Working Pressure | Test Pressure | Manufacturer |
|---|-----------|------------------|---------------|--------------|
| | DoubleRam | 2000 | 3000 | |

| I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit wi | | OIL CONSERVATION DIVISION | | | | |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------|---------------------------|--|--|--|
| NMOCD guidelines a general perm OCD-approved plan | it , or an (attached) alternative | Approved By: Paul Kautz | | | | |
| Printed Name: Electronically filed | by Lana Williams | Title: Geologist | | | | |
| Title: Engineering Tech | | Approved Date: 5/8/2008 | Expiration Date: 5/8/2010 | | | |
| Email Address: lana.williams@apa | achecorp.com | 7.478/6 | 0.2 11 | | | |
| Date: 5/7/2008 | Phone: 918-491-4900 | Conditions of Approval Atta | ached | | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 74583

Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| YY. | ELL LOCATION AND ACK | EAGE DEDICATION FE | A1 | | |
|------------------|-------------------------------|--------------------|----|--|--|
| 1. API Number | 2. Pool Code | ol Name | | | |
| 30-025-38894 | 22900 EUNICE;BLI-TU-DR, NORTH | | | | |
| 4. Property Code | 5. Property | 6. Well No. | | | |
| 22503 | NORTHEAST DRI | 151 | | | |
| 7. OGRID No. | 8. Operator | 9. Elevation | | | |
| 873 | APACHE | APACHE CORP | | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| Α | 2 | 21S | 37E | 1 | 330 | N | 330 | E | LEA |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Т | ownship | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|-----------------------------------------|------------|---|---------|-----------------|-----|-------------------|-----------|-------|-----|-----------|---------------|--------|
| 000000000000000000000000000000000000000 | ated Acres | | 13. 3 | Joint or Infill | | 14. Consolidation | | Code | | | 15. 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

OPERATOR CERTIFICATION

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

E-Signed By: Lana Williams Title: Engineering Tech Date: 5/7/2008

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.

Surveyed By: GARY L. JONES Date of Survey: 4/4/2008

Certificate Number: 7977

Permit Comments

Operator: APACHE CORP, 873

Well: NORTHEAST DRINKARD UNIT #151

API: 30-025-38894

| Created By | Comment | Comment Date |
|------------|-----------------|--------------|
| DMULL | Received C-102. | 5/8/2008 |

Permit Conditions of Approval

Operator: APACHE CORP , 873
Well: NORTHEAST DRINKARD UNIT #151

30-025-38894 API:

| OCD Reviewer | Condition |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| IDKAUTZ | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |