State of New Mexico

Form C-101 Permit 108114

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

	Name and Address CHE CORP	2. OGRID Number 873	
63.0076.77	0 S. YALE A., OK 74136	3. API Number 30-025-39648	
4. Property Code	5. Property Name	6. Well No.	
303211	BUGLER	003	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	13	20S	38E	L	2310	S	990	W	LEA

8. Pool Information

HOUSE;BLINEBRY, SOUTH	33225
HOUSE;TUBB	78760
HOUSE:DRINKARD	33250

Additional Well Information

9. Work Type New Well	10. Weil Type OIL	11. Cable/Rotary	12. Lesse Type Private	13. Ground Level Elevation 3573
14. Multiple Y	15. Proposed Deptil 7250	16. Formation Drinkard	17. Contractor	18. Spud Date
Depth to Ground	water	Distance from nearest fi	resh water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste	mils thic	k Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1590	750	0
Prod	7.875	5.5	17	7250	1000	0

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

	I Toposcu Dionout I	revention riogram	
Туре	Working Pressure	Test Pressure	Manufacturer
DoublePam	2000	2000	***

I hereby certify that the information given of my knowledge and belief. I further certify that the drilling pit w	Control of the second s	OIL CONSERVATION DIVISION				
NMOCD guidelines, a general pern OCD-approved plan		Approved By: Paul Kautz				
Printed Name: Electronically filed	by Lana Williams	Title: Geologist				
Title: Engineering Tech		Approved Date: 1/26/2010	Expiration Date: 1/26/2012			
Email Address: lana.williams@ap.	achecorp.com					
Date: 1/19/2010	Phone: 918-491-4900	Conditions of Approval Attac	ched			

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

<u>District III</u> 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

Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-025-39648	33225	HOUSE;BLINEBRY, SOUTH
4. Property Code	5. Property	Name 6. Wett No.
303211	BUGL	ER 003
7. OGRID No.	8. Operator	Name 9. Elevation
873	APACHE	CORP 3573

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	13	20S	38E	L	2310	S	990	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
2.000	cated Acres	13.	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

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8		

OPERATOR CERTIFICATION

Form C-102

Permit 108114

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Lana Williams Title: Engineering Tech Date: 1/19/2010

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: Ronald Eidson Date of Survey: 1/11/2010 Certificate Number: 3239 District I

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

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Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-025-39648	78760	HOUSE;TUBB
4. Property Code	5. Property Na	ne 6. Weff No.
303211	BUGLER	003
7. OGRID No.	8. Operator Na	ne 9. Elevation
873	APACHE CO	RP 3573

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	13	20S	38E	L	2310	S	990	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13.	Joint or Infill		14	. Consolidation (Code			15. Order No.	

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Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-39648	2. Pool Code 33250	3. Pool Name HOUSE;DRINKARD
4. Property Code 303211	5. Property Na BUGLER	
7. OGRID No. 873	8. Operator Na APACHE CO	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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OPERATOR CERTIFICATION

Form C-102

Permit 108114

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

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Surveyed By: Ronald Eidson Date of Survey: 1/11/2010 Certificate Number: 3239

Permit Comments

Operator: APACHE CORP, 873

Well: BUGLER #003 API: 30-025-39648

Created By	Comment	Comment Date
DMULL	OCD received form C-144 "Pit Registration". OCD Permit Number P1-01676.	1/26/2010

Permit Conditions of Approval

Operator: APACHE CORP , 873 Well: BUGLER #003 API: 30-025-39648

OCD Reviewer	Condition
DMULL	Will require the form C-103 per R-11363 "Pre Approved Pools & Area" for Downhole Commingling before multiple zone can be produced by commingling in the wellbore accordance with the procedure set forth in Rule 19.15.12.11.