

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21837

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21838

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21839

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21840

Examiner Docket: October 21, 2021

APACHE EXHIBITS

Camacho 25-26 State Com 201H, 301H
Camacho 25-26 State Com 202H, 302H
Camacho 25-26 State Com 203, 303H
Camacho 25-26 State Com 204H, 304H



Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen



500 Fourth Street NW, Suite 1000
P. O. Box 2168 / Albuquerque, NM 87103
Telephone 505.848.1800

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO** **CASE NO. 21837**

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO** **CASE NO. 21838**

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO** **CASE NO. 21839**

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO** **CASE NO. 21840**

**Camacho 25-26 State Com 201H, 301H
Camacho 25-26 State Com 202H, 302H
Camacho 25-26 State Com 203, 303H
Camacho 25-26 State Com 204H, 304H**

Tab A: Compulsory Pooling Application Checklists (4 Checklists)

Tab B: Declaration of Blake Johnson

- Exhibit 1 Applications
- Exhibit 2 C-102s
- Exhibit 3 Tract Map with WIs and List of ORRIs
- Exhibit 4 Summary of Contacts
- Exhibit 5 Sample Proposal Letter
- Exhibit 6 Authorizations for Expenditures
- Exhibit 7 Notice Affidavit

Tab C: Declaration of Drew Chenoweth

- Exhibit 8 Gun Barrel Diagram
- Exhibit 9 Regional Locator Map
- Exhibit 10 Second Bone Spring Geology Study (200 Series Wells)
- Exhibit 11 Third Bone Spring Geology Study (300 Series Wells)
- Exhibit 12 Resume

Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen



500 Fourth Street NW, Suite 1000
P. O. Box 2168 / Albuquerque, NM 87103
Telephone 505.848.1800

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21837	APPLICANT'S RESPONSE
Date: 10/19/2021	
Applicant	Apache Corporation
Designated Operator & OGRID (affiliation if applicable)	Apache Corporation (OGRID 873)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21837
Entries of Appearance/Intervenors:	COG Operating and Concho Oil and as (now ConocoPhillips) & Colgate
Well Family	Camacho 25-26
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Winchester; Bone Spring, West (97569)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	Quarter Quarter Sections
Orientation:	East to West
Description: TRS/County	N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibits B.2 for C-102s


EXAMINER HEARING 10-21-21

PAGE 1



Well #1	<p>Camacho 25-26 State Com 201H, API No. (Do not have yet) SHL: 700 feet from the North line and 445 feet from the East line, (Unit A) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 330 feet from the North line and 50 feet from the West line, (Unit D) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 2nd Bone Spring Sand at approx 7030 feet TVD. Well Orientation: East to West</p>
Well #2	<p>Camacho 25-26 State Com 301H, API No. (Do not have yet) SHL: 730 feet from the North line and 445 feet from the East line, (Unit A) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 370 feet from the North line and 50 feet from the West line, (Unit D) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8310 feet TVD. Well Orientation: East to West</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	See Proposal Letter Exhibit B.5.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000: See also Proposal Letter Exhibit B.5
Production Supervision/Month \$	\$800: See also Proposal Letter Exhibit B.5
Justification for Supervision Costs	See AFEs Exhibits B.6
Requested Risk Charge	200%: See also Proposal Letter Exhibit B.5
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3

Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	Exhibit B.3; B.7
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	See Exhibit B.4 for Summary of Contacts
Overhead Rates In Proposal Letter	Proposal Letter Exhibit B.5
Cost Estimate to Drill and Complete	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate to Equip Well	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate for Production Facilities	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Geology	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit C.8
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.8
Well Orientation (with rationale)	Exhibit C, Paragraph 20
Target Formation	Exhibit C.8, Exhibits C.10 and C.11
HSU Cross Section	Exhibits C.10D/E and C.11D/E
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibits B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.9
Well Bore Location Map	Exhibits C.10A and C.11A
Structure Contour Map - Subsea Depth	Exhibits C.10B and C.11B
Cross Section Location Map (including wells)	Exhibits C.10A and C.11A
Cross Section (including Landing Zone)	Exhibits C.10D/E and C.11D/E
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	

Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	October 19, 2021

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)


ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21838	APPLICANT'S RESPONSE
Date: 10/19/2021	
Applicant	Apache Corporation
Designated Operator & OGRID (affiliation if applicable)	Apache Corporation (OGRID 873)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21838
Entries of Appearance/Intervenors:	COG Operating and Concho Oil and as (now ConocoPhillips) & Colgate
Well Family	Camacho 25-26
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Winchester; Bone Spring, West (97569)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	Quarter Quarter Sections
Orientation:	East to West
Description: TRS/County	S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibits B.2 for C-102s



Well #1	<p>Camacho 25-26 State Com 202H, API No. (Do not have yet) SHL: 2570 feet from the North line and 750 feet from the East line, (Unit H) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 1870 feet from the North line and 50 feet from the West line, (Unit E) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 2nd Bone Spring Sand at approx 7045 feet TVD. Well Orientation: East to West</p>
Well #2	<p>Camacho 25-26 State Com 302H, API No. (Do not have yet) SHL: 2600 feet from the North line and 750 feet from the East line, (Unit H) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 1910 feet from the North line and 50 feet from the West line, (Unit E) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8310 feet TVD. Well Orientation: East to West</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	See Proposal Letter Exhibit B.5.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000: See also Proposal Letter Exhibit B.5
Production Supervision/Month \$	\$800: See also Proposal Letter Exhibit B.5
Justification for Supervision Costs	See AFEs Exhibits B.6
Requested Risk Charge	200%: See also Proposal Letter Exhibit B.5
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	<p>EXAMINER HEARING 10-21-21 Exhibit B.3</p>

Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	Exhibit B.3; B.7
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	See Exhibit B.4 for Summary of Contacts
Overhead Rates In Proposal Letter	Proposal Letter Exhibit B.5
Cost Estimate to Drill and Complete	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate to Equip Well	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate for Production Facilities	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Geology	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit C.8
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.8
Well Orientation (with rationale)	Exhibit C, Paragraph 20
Target Formation	Exhibit C.8, Exhibits C.10 and C.11
HSU Cross Section	Exhibits C.10D/E and C.11D/E
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibits B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.9
Well Bore Location Map	Exhibits C.10A and C.11A
Structure Contour Map - Subsea Depth	Exhibits C.10B and C.11B
Cross Section Location Map (including wells)	Exhibits C.10A and C.11A
Cross Section (including Landing Zone)	Exhibits C.10D/E and C.11D/E
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	

Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	October 19, 2021

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 21839	APPLICANT'S RESPONSE
Date: 10/19/2021	
Applicant	Apache Corporation
Designated Operator & OGRID (affiliation if applicable)	Apache Corporation (OGRID 873)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21839
Entries of Appearance/Intervenors:	COG Operating and Concho Oil and as (now ConocoPhillips) & Colgate
Well Family	Camacho 25-26
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Winchester; Bone Spring, West (97569)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	Quarter Quarter Sections
Orientation:	East to West
Description: TRS/County	N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibits B.2 for C-102s

EXAMINER HEARING 10-21-21


PAGE 9



Well #1	<p>Camacho 25-26 State Com 203H, API No. (Do not have yet) SHL: 2660 feet from the North line and 750 feet from the East line, (Unit I) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 1870 feet from the South line and 50 feet from the West line, (Unit L) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 2nd Bone Spring Sand at approx 7045 feet TVD. Well Orientation: East to West</p>
Well #2	<p>Camacho 25-26 State Com 303H, API No. (Do not have yet) SHL: 2630 feet from the North line and 750 feet from the East line, (Unit H) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 1830 feet from the South line and 50 feet from the West line, (Unit L) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8290 feet TVD. Well Orientation: East to West</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	See Proposal Letter Exhibit B.5.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000: See also Proposal Letter Exhibit B.5
Production Supervision/Month \$	\$800: See also Proposal Letter Exhibit B.5
Justification for Supervision Costs	See AFEs Exhibits B.6
Requested Risk Charge	200%: See also Proposal Letter Exhibit B.5
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	<p>EXAMINER HEARING 10-21-21 PAGE 10 Exhibit B.3</p>

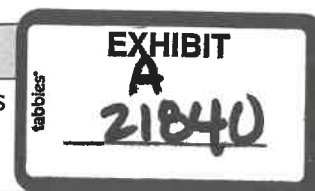
Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	Exhibit B.3; B.7
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	See Exhibit B.4 for Summary of Contacts
Overhead Rates In Proposal Letter	Proposal Letter Exhibit B.5
Cost Estimate to Drill and Complete	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate to Equip Well	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate for Production Facilities	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Geology	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit C.8
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.8
Well Orientation (with rationale)	Exhibit C, Paragraph 20
Target Formation	Exhibit C.8, Exhibits C.10 and C.11
HSU Cross Section	Exhibits C.10D/E and C.11D/E
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibits B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.9
Well Bore Location Map	Exhibits C.10A and C.11A
Structure Contour Map - Subsea Depth	Exhibits C.10B and C.11B
Cross Section Location Map (including wells)	Exhibits C.10A and C.11A
Cross Section (including Landing Zone)	Exhibits C.10D/E and C.11D/E
Additional Information	

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.

Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	October 19, 2021


COMPULSORY POOLING APPLICATION CHECKLIST (pdf)**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 21840	APPLICANT'S RESPONSE
Date: 10/19/2021	
Applicant	Apache Corporation
Designated Operator & OGRID (affiliation if applicable)	Apache Corporation (OGRID 873)
Applicant's Counsel:	Modrall Sperleng
Case Title:	APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21840
Entries of Appearance/Intervenors:	COG Operating and Concho Oil and as (now ConocoPhillips) & Colgate
Well Family	Camacho 25-26
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Winchester; Bone Spring, West (97569)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	Quarter Quarter Sections
Orientation:	East to West
Description: TRS/County	S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibits B.2 for C-102s



Well #1	<p>Camacho 25-26 State Com 204H, API No. (Do not have yet) SHL: 397 feet from the South line and 650 feet from the East line, (Unit P) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 370 feet from the South line and 50 feet from the West line, (Unit M) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 2nd Bone Spring Sand at approx 7095 feet TVD. Well Orientation: East to West</p>
Well #2	<p>Camacho 25-26 State Com 304H, API No. (Do not have yet) SHL: 427 feet from the South line and 650 feet from the East line, (Unit P) of Section 25, Township 19 North, Range 27 East, NMPM. BHL: 330 feet from the South line and 50 feet from the West line, (Unit M) of Section 26, Township 19 North, Range 27 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 8350 feet TVD. Well Orientation: East to West</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	See Proposal Letter Exhibit B.5.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000: See also Proposal Letter Exhibit B.5
Production Supervision/Month \$	\$800: See also Proposal Letter Exhibit B.5
Justification for Supervision Costs	See AFEs Exhibits B.6
Requested Risk Charge	200%: See also Proposal Letter Exhibit B.5
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3

Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	Exhibit B.3; B.7
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	See Exhibit B.4 for Summary of Contacts
Overhead Rates In Proposal Letter	Proposal Letter Exhibit B.5
Cost Estimate to Drill and Complete	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate to Equip Well	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Cost Estimate for Production Facilities	Proposal Letter Exhibit B.5; AFE Exhibit B.6
Geology	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit C.8
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.8
Well Orientation (with rationale)	Exhibit C, Paragraph 20
Target Formation	Exhibit C.8, Exhibits C.10 and C.11
HSU Cross Section	Exhibits C.10D/E and C.11D/E
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibits B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.9
Well Bore Location Map	Exhibits C.10A and C.11A
Structure Contour Map - Subsea Depth	Exhibits C.10B and C.11B
Cross Section Location Map (including wells)	Exhibits C.10A and C.11A
Cross Section (including Landing Zone)	Exhibits C.10D/E and C.11D/E
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	

Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	October 19, 2021

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO. CASE NO. 21837**

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO. CASE NO. 21838**

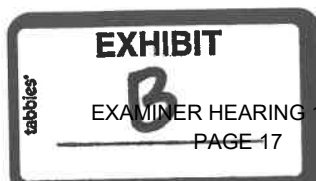
**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO. CASE NO. 21839**

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO. CASE NO. 21840**

DECLARATION OF BLAKE JOHNSON

Blake Johnson hereby states and declares as follows:

1. I am a landman for Apache Corporation (“Apache”), over the age of 18, and have personal knowledge of the matters stated herein. I have previously testified by affidavit before the Oil Conservation Division (“Division”) and I have been qualified by the Division as an expert in petroleum land matters.
2. My area of responsibility at Apache includes the area of Eddy County in New Mexico.
3. I am familiar with the applications filed by Apache in these cases, which are attached as Exhibit 1.
4. I am familiar with the status of the lands that are subject to the applications.
5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above-referenced compulsory pooling applications.



6. These four cases involves requests for orders from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring horizontal spacing units described below, and in the wells to be drilled in the horizontal spacing units.

7. Prior to filing its applications, Apache made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. Apache identified all of the working interest, unleased mineral interests, and overriding royalty interest owners from a title opinion. To locate interest owners, Apache conducted a diligent search of the public records in the county where the wells will be located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification. I mailed all working interest owners well proposals and an Authorization for Expenditure, and a form of Operating Agreement upon request.

8. No opposition is expected. Prior to filing its applications Apache contacted the interest owners being pooled regarding the proposed wells; the pooled working interest owners have failed or refused to voluntarily commit their interests in the wells. Apache provided all of the working interest owners, any unleased mineral owners, and overriding royalty owners with notice of these applications, and none have entered an appearance in opposition to Apache's applications.

9. In Case No. 21837, Apache seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 201H** and **Camacho 25-26 State Com 301H** wells, to be horizontally drilled.

10. In Case No. 21838, Apache seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 202H** and **Camacho 25-26 State Com 302H** wells, to be horizontally drilled.

11. In Case No. 21839, Apache seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 203H** and **Camacho 25-26 State Com 303H** wells, to be horizontally drilled.

12. In Case No. 21840, Apache seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 204H** and **Camacho 25-26 State Com 304H** wells, to be horizontally drilled.

13. Attached as **Exhibit 2** are the proposed C-102s for the wells.

14. The C-102s identify the proposed surface hole locations, the first take points, and the bottom hole locations. The C-102s also identify the pool and pool code.

15. The wells will develop the Winchester; Bone Spring, West pool, Pool Code 97569.

16. This pool is an oil pool with 40-acre building blocks.

17. This pool is governed by the state-wide horizontal well rules. The producing intervals for the wells will be orthodox and will comply with the Division's set back requirements,

the first and last take points will be no closer than 100' from the proposed unit boundary and the completed lateral will be no closer than 330' from the proposed unit boundary.

18. There are no depth severances within the proposed spacing units.

19. **Exhibit 3** includes a lease tract map outlining the units being pooled, including the State Land Office lease, Lease E-0952-3. Exhibit 3 also includes the parties being pooled, the nature, and the percent of their interests. Apache owns an interest in the proposed unit and has a right to drill a well thereon.

20. Three parties entered appearances in this case—V-F Petroleum, Inc., COG Operating LLC and Concho Oil and Gas (now ConocoPhillips), and Colgate Operating, LLC (“Colgate”). I have had multiple communications with V-F Petroleum, Inc. and COG Operating LLC and Concho Oil and Gas (now ConocoPhillips), who originally entered appearances in these cases. V-F Petroleum’s interests were acquired by Colgate after these cases were filed and V-F Petroleum has now withdrawn from these cases. Colgate has entered an appearance in these cases. Colgate and COG Operating LLC and Concho Oil and Gas (now ConocoPhillips) do not oppose Apache’s pooling applications or object to the cases being presented by affidavit.

21. In my opinion, Apache has made a good faith effort to obtain voluntary joinder in the proposed well.

22. **Exhibit 4** is a summary of my contacts with the various working interest owners.

23. **Exhibit 5** is a sample of the well proposal letter that was sent. The proposal letter identifies the approximate surface and bottom hole locations and approximate TVD/MD for the wells.

24. **Exhibit 6** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other well of similar depths and length drilled in this area of New Mexico.

25. Apache requests overhead and administrative rates of \$8000.00/month for drilling a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Apache requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

26. Apache requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

27. Apache requests that it be designated operator of the wells.

28. The parties Apache is seeking to pool were notified of this hearing.

29. Apache seeks to pool overriding royalty interest owners, and they were provided notice of this hearing.

30. Based upon my knowledge of the land matters involved in this case, education and training, it is my expert opinion that the granting of Apache's applications in these cases are in the interests of conservation and the prevention of waste.

31. **Exhibit 7** is an affidavit of notice prepared by counsel for Apache that shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Carlsbad Current Argus newspaper, showing that notice of this hearing was published on April 20, 2021.

32. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

33. Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.



Blake Johnson

Dated: October 18, 2021

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21837

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 201H** well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,030' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 301H** well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the



NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:  _____

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029068.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 201H** and **Camacho 25-26 State Com 301H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21838

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 202H** well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 302H** well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the

SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:  _____

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029076.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 202H** and **Camacho 25-26 State Com 302H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21839

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 203H** well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 303H** well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4

SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,290' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029108.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 203H** and **Camacho 25-26 State Com 303H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

CASE NO. 21840

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 204H** well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,095' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 304H** well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4

SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,350' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029110.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 204H** and **Camacho 25-26 State Com 304H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 97569		³ Pool Name WINCHESTER; BONE SPRING, WEST					
⁴ Property Code		⁵ Property Name CAMACHO 25-26 STATE COM						⁶ Well Number 201H	
⁷ OGRID NO.		⁸ Operator Name APACHE CORPORATION						⁹ Elevation 3474'	
¹⁰ Surface Location									
UL or lot no. A	Section 25	Township 19S	Range 27E	Lot Idn	Feet from the 700	North/South line NORTH	Feet From the 445	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. D	Section 26	Township 19S	Range 27E	Lot Idn	Feet from the 330	North/South line NORTH	Feet from the 50	East/West line WEST	County EDDY
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETTIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 595298.0 - E: 574601.8
LAT: 32.6364767° N
LONG: 104.2252718° W

FIRST TAKE POINT (FTP)
330' FNL & 100' FEL - SEC 25
N: 595860.7 - E: 574950.2
LAT: 32.6374727° N
LONG: 104.2241388° W

LAST TAKE POINT (LTP)
330' FNL & 100' FWL - SEC 26
N: 595850.0 - E: 564577.0
LAT: 32.6380179° N
LONG: 104.2578369° W

BOTTOM HOLE (BH)
N: 595850.8 - E: 564527.0
LAT: 32.6380201° N
LONG: 104.2579992° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593484.9 - E 569747.2

¹⁷ OPERATOR CERTIFICATION

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 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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.

04/28/2021
Date of Survey

Signature and Seal of Professional Surveyor

DALE E. BELL
NEW MEXICO
PROFESSIONAL SURVEYOR
14400

14400
Certificate Number

07/07/2021

EXHIBIT

2

EXAMINER HEARING 10-21-21
PAGE 40

No.: LS21040391

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 97569		³ Pool Name WINCHESTER; BONE SPRING, WEST	
⁴ Property Code		⁵ Property Name CAMACHO 25-26 STATE COM			⁶ Well Number 301H
⁷ GRID NO.		⁸ Operator Name APACHE CORPORATION			⁹ Elevation 3473'

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	25	19S	27E		730	NORTH	445	EAST	EDDY

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
D	26	19S	27E		370	NORTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETTIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 595268.0 - E: 574601.6
LAT: 32.6363943' N
LONG: 104.2252726' W

FIRST TAKE POINT (FTP)
370' FNL & 100' FEL - SEC 25
N: 595620.7 - E: 574949.8
LAT: 32.6373627' N
LONG: 104.2241402' W

LAST TAKE POINT (LTP)
370' FNL & 100' FWL - SEC 26
N: 595810.1 - E: 564576.8
LAT: 32.6379080' N
LONG: 104.2578377' W

BOTTOM HOLE (BH)
N: 595810.8 - E: 564526.8
LAT: 32.6379102' N
LONG: 104.2580001' W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593464.9 - E 569747.2

¹⁷ OPERATOR CERTIFICATION

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 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.

Signature _____ Date _____

Printed Name _____

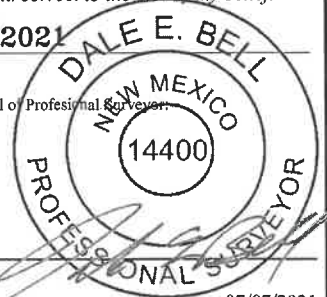
E-mail Address _____

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.

04/28/2021
Date of Survey

Signature and Seal of Professional Surveyor



14400
Certificate Number

07/07/2021

CALCULATED POINTS

1: N: 594672.8 - E: 575040.8
2: N: 594781.6 - E: 569757.8
3: N: 594855.6 - E: 564471.2

Job No.: LS21040392

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

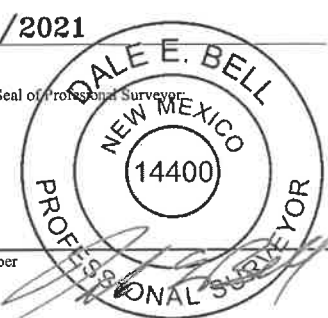
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
		97569		WINCHESTER; BONE SPRING, WEST					
4 Property Code		5 Property Name					6 Well Number		
		CAMACHO 25-26 STATE COM					202H		
7 OGRID NO.		8 Operator Name					9 Elevation		
		APACHE CORPORATION					3470'		
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
H	25	19S	27E		2570	NORTH	750	EAST	EDDY
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
E	26	19S	27E		1870	NORTH	50	WEST	EDDY
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code		15 Order No.					

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>16 GEODETTIC DATA NAD 83 GRID - NM EAST</p> <p>SURFACE LOCATION (SL) N: 593434.9 - E: 574279.5 LAT: 32.6313563° N LONG: 104.2263251° W</p> <p>FIRST TAKE POINT (FTP) 1870' FNL & 100' FEL - SEC 25 N: 594121.2 - E: 574935.6 LAT: 32.6332409° N LONG: 104.2241915° W</p> <p>LAST TAKE POINT (LTP) 1870' FNL & 100' FWL - SEC 26 N: 594310.5 - E: 564568.0 LAT: 32.6337860° N LONG: 104.2578697° W</p> <p>BOTTOM HOLE (BH) N: 594311.2 - E: 564518.0 LAT: 32.6337883° N LONG: 104.2580320° W</p> <p>CORNER DATA NAD 83 GRID - NM EAST</p> <p>A: FOUND BRASS CAP "1941" N 590878.6 - E 564448.2</p> <p>B: FOUND BRASS CAP "1941" N 593529.7 - E 564463.5</p> <p>C: FOUND BRASS CAP "1941" N 596181.5 - E 564479.0</p> <p>D: FOUND BRASS CAP "1941" N 596139.7 - E 567124.0</p> <p>E: FOUND BRASS CAP "1941" N 596098.3 - E 569768.4</p> <p>F: FOUND BRASS CAP "1941" N 596043.6 - E 572411.3</p> <p>G: FOUND BRASS CAP "1941" N 595988.5 - E 575053.3</p> <p>H: FOUND BRASS CAP "1941" N 593357.1 - E 575028.3</p> <p>I: FOUND BRASS CAP "1941" N 590726.4 - E 575003.7</p> <p>J: FOUND BRASS CAP "1941" N 590780.1 - E 572365.3</p> <p>K: FOUND BRASS CAP "1941" N 590834.2 - E 569728.4</p> <p>L: FOUND BRASS CAP "1941" N 590855.8 - E 567087.2</p> <p>M: FOUND BRASS CAP "1941" N 593464.9 - E 569747.2</p>	<p>17 OPERATOR CERTIFICATION 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 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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
<p>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.</p> <p>04/28/2021 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: </p> <p>14400 Certificate Number</p>	<p>Job No.: LS21040395</p>

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
	97569	WINCHESTER; BONE SPRING, WEST
⁴ Property Code	⁵ Property Name	
	CAMACHO 25-26 STATE COM	
⁷ GRID NO.	⁸ Operator Name	⁶ Well Number
	APACHE CORPORATION	302H
		⁹ Elevation
		3470'

¹⁰ Surface Location

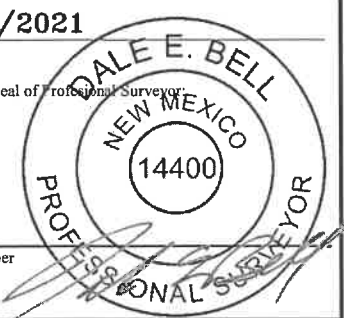
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
H	25	19S	27E		2600	NORTH	750	EAST	EDDY

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
E	26	19S	27E		1910	NORTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶ GEODETIC DATA NAD 83 GRID - NM EAST</p> <p><u>SURFACE LOCATION (SL)</u> N: 593404.9 - E: 574279.2 LAT: 32.6312739° N LONG: 104.2263260° W</p> <p><u>FIRST TAKE POINT (FTP)</u> 1910' FNL & 100' FEL - SEC 25 N: 594081.2 - E: 574935.2 LAT: 32.6331310° N LONG: 104.2241929° W</p> <p><u>LAST TAKE POINT (LTP)</u> 1910' FNL & 100' FWL - SEC 26 N: 594270.5 - E: 564567.8 LAT: 32.6336761° N LONG: 104.2578705° W</p> <p><u>BOTTOM HOLE (BH)</u> N: 594271.3 - E: 564517.8 LAT: 32.6336783° N LONG: 104.2580329° W</p>	<p><u>CORNER DATA</u> NAD 83 GRID - NM EAST</p> <p>G: FOUND BRASS CAP "1941" N 595988.5 - E 575053.3</p> <p>H: FOUND BRASS CAP "1941" N 593357.1 - E 575028.3</p> <p>I: FOUND BRASS CAP "1941" N 590726.4 - E 575003.7</p> <p>J: FOUND BRASS CAP "1941" N 590780.1 - E 572365.3</p> <p>K: FOUND BRASS CAP "1941" N 590834.2 - E 569728.4</p> <p>L: FOUND BRASS CAP "1941" N 590855.8 - E 567087.2</p> <p>M: FOUND BRASS CAP "1941" N 593464.9 - E 569747.2</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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 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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
	<p><u>CALCULATED POINTS</u></p> <p>1: N: 594672.8 - E: 575040.8 2: N: 594781.6 - E: 569757.8 3: N: 594855.6 - E: 564471.2</p>	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>04/28/2021 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: </p> <p>14400 Certificate Number</p>

Job No.: LS21040396

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 97569		³ Pool Name WINCHESTER; BONE SPRING, WEST	
⁴ Property Code		⁵ Property Name CAMACHO 25-26 STATE COM			⁶ Well Number 203H
⁷ GRID NO.		⁸ Operator Name APACHE CORPORATION			⁹ Elevation 3470'

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
I	25	19S	27E		2660	NORTH	750	EAST	EDDY

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
L	26	19S	27E		1870	SOUTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 593344.9 - E: 574278.7
LAT: 32.6311090° N
LONG: 104.2263279° W

FIRST TAKE POINT (FTP)
1870' FSL & 100' FFL - SEC 25
N: 592597.9 - E: 574921.2
LAT: 32.6290538° N
LONG: 104.2242432° W

LAST TAKE POINT (LTP)
1870' FSL & 100' FWL - SEC 26
N: 592747.2 - E: 564558.9
LAT: 32.6294891° N
LONG: 104.2579027° W

BOTTOM HOLE (BH)
N: 592747.6 - E: 564509.0
LAT: 32.6294903° N
LONG: 104.2580651° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593464.9 - E 569747.2

¹⁷ OPERATOR CERTIFICATION
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 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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.

04/28/2021
Date of Survey

Signature and Seal of Professional Surveyor

14400
Certificate Number

DALE E. BELL
NEW MEXICO
PROFESSIONAL SURVEYOR
14400

Job No.: LS21040398

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 97569		³ Pool Name WINCHESTER; BONE SPRING, WEST	
⁴ Property Code		⁵ Property Name CAMACHO 25-26 STATE COM			⁶ Well Number 303H
⁷ OGRID NO.		⁸ Operator Name APACHE CORPORATION			⁹ Elevation 3470'

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
H	25	19S	27E		2630	NORTH	750	EAST	EDDY

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
L	26	19S	27E		1830	SOUTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 593374.9 - E: 574278.9
LAT: 32.6311915° N
LONG: 104.2263272° W

FIRST TAKE POINT (FTP)
1830' FSL & 100' FEL - SEC 25
N: 592557.9 - E: 574920.9
LAT: 32.6289439° N
LONG: 104.2242445° W

LAST TAKE POINT (LTP)
1830' FSL & 100' FWL - SEC 26
N: 592707.2 - E: 564558.7
LAT: 32.6293791° N
LONG: 104.2579035° W

BOTTOM HOLE (BH)
N: 592707.6 - E: 564508.7
LAT: 32.6293804° N
LONG: 104.2580659° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593464.9 - E 569747.2

¹⁷ OPERATOR CERTIFICATION

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 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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.

04/28/2021
Date of Survey

Signature and Seal of Professional Surveyor

14400
Certificate Number

DALE E. BELL
NEW MEXICO
14400
PROFESSIONAL SURVEYOR

Job No.: LS21040397

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97569	³ Pool Name WINCHESTER; BONE SPRING, WEST
⁴ Property Code	⁵ Property Name CAMACHO 25-26 STATE COM	
⁷ GRID NO.	⁸ Operator Name APACHE CORPORATION	⁶ Well Number 204H
		⁹ Elevation 3457'

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
P	25	19S	27E		397	SOUTH	650	EAST	EDDY

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
M	26	19S	27E		370	SOUTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 591136.4 - E: 574357.7
LAT: 32.6250383° N
LONG: 104.2260784° W

FIRST TAKE POINT (FTP)
370' FSL & 100' FEL - SEC 25
N: 591098.3 - E: 574907.2
LAT: 32.6249320° N
LONG: 104.2242936° W

LAST TAKE POINT (LTP)
370' FSL & 100' FWL - SEC 26
N: 591247.6 - E: 564550.3
LAT: 32.6253671° N
LONG: 104.2579341° W

BOTTOM HOLE (BH)
N: 591248.0 - E: 564500.3
LAT: 32.6253684° N
LONG: 104.2580965° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593464.9 - E 569747.2

CALCULATED POINTS
1: N: 592041.7 - E: 575016.0
2: N: 592149.6 - E: 569737.8
3: N: 592204.1 - E: 564455.8

¹⁷ OPERATOR CERTIFICATION
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 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.

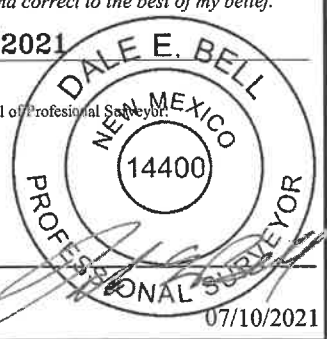
Signature _____ Date _____

Printed Name _____

E-mail Address _____

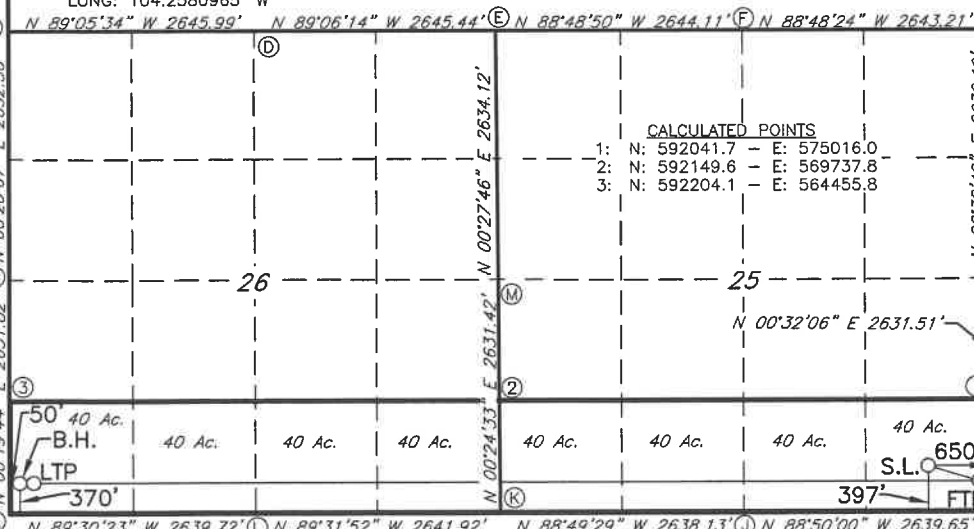
¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

04/28/2021
Date of Survey

Signature and Seal of Professional Surveyor: 

14400
Certificate Number

07/10/2021



Job No.: LS21040404

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97569	³ Pool Name WINCHESTER; BONE SPRING, WEST
⁴ Property Code	⁵ Property Name CAMACHO 25-26 STATE COM	
⁷ GRID NO.	⁸ Operator Name APACHE CORPORATION	⁶ Well Number 304H
		⁹ Elevation 3458'

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
P	25	19S	27E		427	SOUTH	650	EAST	EDDY

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
M	26	19S	27E		330	SOUTH	50	WEST	EDDY

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

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

¹⁶ **GEODETIC DATA**
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)
N: 591166.5 - E: 574358.0
LAT: 32.6251209° N
LONG: 104.2260774° W

FIRST TAKE POINT (FTP)
330' FSL & 100' FEL - SEC 25
N: 591058.3 - E: 574906.9
LAT: 32.6248220° N
LONG: 104.2242950° W

LAST TAKE POINT (LTP)
330' FSL & 100' FWL - SEC 26
N: 591207.6 - E: 564550.1
LAT: 32.6252572° N
LONG: 104.2579350° W

BOTTOM HOLE (BH)
N: 591208.0 - E: 564500.1
LAT: 32.6252584° N
LONG: 104.2580973° W

CORNER DATA
NAD 83 GRID - NM EAST

A: FOUND BRASS CAP "1941"
N 590878.6 - E 564448.2

B: FOUND BRASS CAP "1941"
N 593529.7 - E 564463.5

C: FOUND BRASS CAP "1941"
N 596181.5 - E 564479.0

D: FOUND BRASS CAP "1941"
N 596139.7 - E 567124.0

E: FOUND BRASS CAP "1941"
N 596098.3 - E 569768.4

F: FOUND BRASS CAP "1941"
N 596043.6 - E 572411.3

G: FOUND BRASS CAP "1941"
N 595988.5 - E 575053.3

H: FOUND BRASS CAP "1941"
N 593357.1 - E 575028.3

I: FOUND BRASS CAP "1941"
N 590726.4 - E 575003.7

J: FOUND BRASS CAP "1941"
N 590780.1 - E 572365.3

K: FOUND BRASS CAP "1941"
N 590834.2 - E 569728.4

L: FOUND BRASS CAP "1941"
N 590855.8 - E 567087.2

M: FOUND BRASS CAP "1941"
N 593464.9 - E 569747.2

17 OPERATOR CERTIFICATION
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 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.

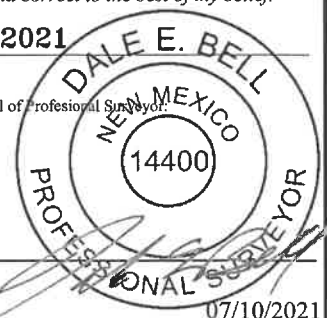
Signature _____ Date _____

Printed Name _____

E-mail Address _____

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.

04/28/2021
Date of Survey

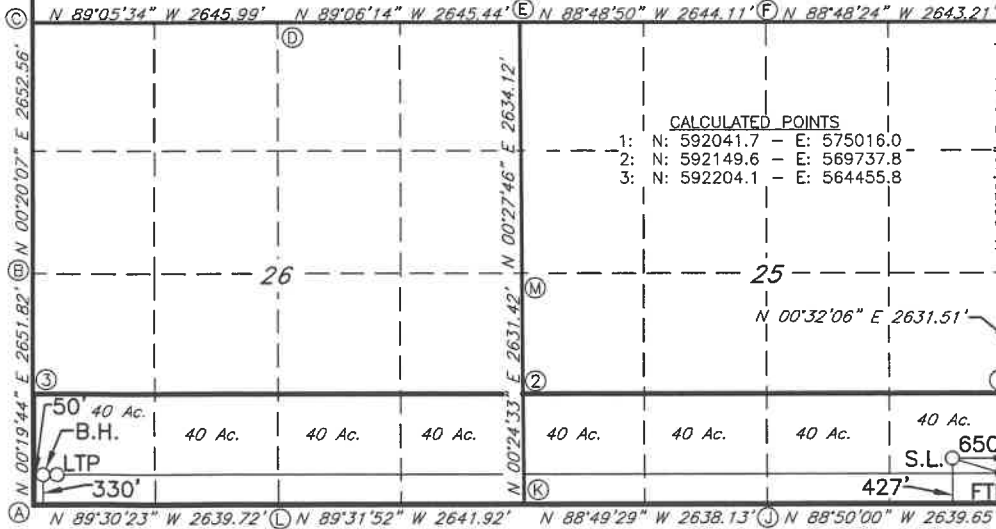
Signature and Seal of Professional Surveyor: 

14400
Certificate Number

07/10/2021

16 **CALCULATED POINTS**

1: N: 592041.7 - E: 575016.0
2: N: 592149.6 - E: 569737.8
3: N: 592204.1 - E: 564455.8



Job No.: LS21040403

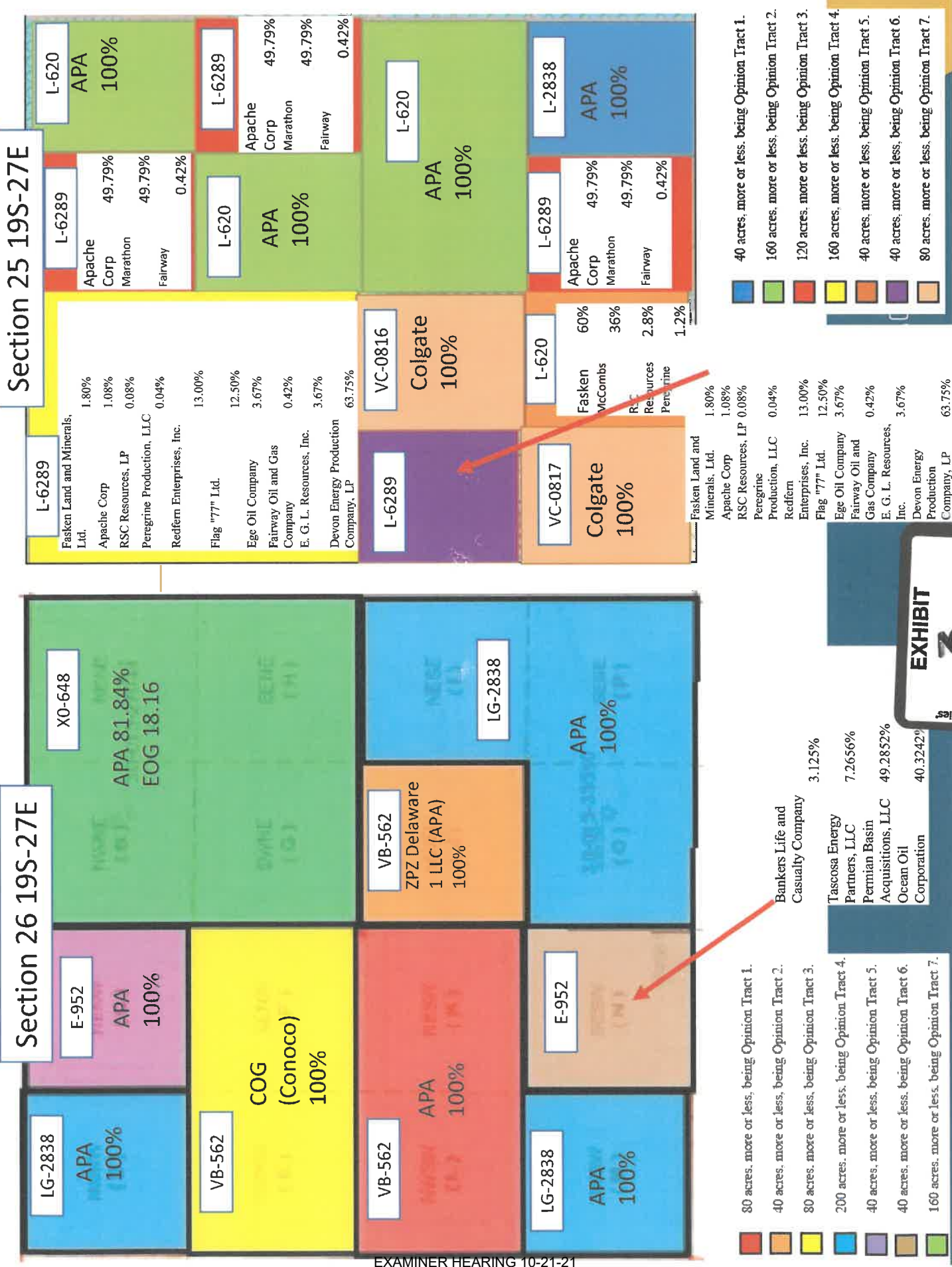


EXHIBIT 3

Section 25 19S-27E



Fasken Land and Minerals, Ltd.	1.80%
Apache Corp	1.08%
RSC Resources, LP	0.08%
Peregrine Production, LLC	0.04%
Redfern Enterprises, Inc.	13.00%
Flag "77" Ltd.	12.50%
Ege Oil Company	3.67%
Fairway Oil and Gas Company	0.42%
E. G. L. Resources, Inc.	3.67%
Devon Energy Production Company, LP	63.75%
Fasken Land and Minerals, Ltd.	1.80%
Apache Corp	1.08%
RSC Resources, LP	0.08%
Peregrine Production, LLC	0.04%
Redfern Enterprises, Inc.	13.00%
Flag "77" Ltd.	12.50%
Ege Oil Company	3.67%
Fairway Oil and Gas Company	0.42%
E. G. L. Resources, Inc.	3.67%
Devon Energy Production Company, LP	63.75%



Section 26 19S-27E



Bankers Life and Casualty Company

3.125%

Tascosa Energy Partners, LLC

7.2656%

Permian Basin Acquisitions, LLC

49.2852%

Ocean Oil Corporation

40.3242%



APACHECORP.COM

N/2 N/2 Development- Application 21837												
Tract participation Factor	Tract NENE 25		NWNE 25	N/2 W/2 25		N/2 NE/4 26		NE/4 NW/4 26	NW/4 NW/4 26		Total	Pooled/JOA
	0.125	0.125	0.125	0.25	0.25	0.25	0.125	0.125	0.125	0.125		
WI Owners												
Apache Corporation	1	0.497912		0.0108	0.819445	1			1		0.6421	JOA
Marathon Oil Permian, LLC		0.497912									0.062239	Pooled
Fairway Oil and Gas Company		0.004176									0.000522	Pooled
Fasken Land and Minerals, Ltd.				0.018000							0.0045	Pooled
RSC Resources, LP				0.000840							0.00021	Pooled
Peregrine Production, LLC				0.000360							0.00009	Pooled
Redfern Enterprises, Inc.				0.130000							0.0325	Pooled
Flag "77" Ltd.				0.125000							0.03125	Pooled
Ege Oil Company				0.036667							0.009167	Pooled
Fairway Oil and Gas Company				0.004176							0.001044	Pooled
PBEX, LLC				0.036667							0.009167	JOA
Devon Energy Production Company, LP				0.637490							0.159373	Pooled
EOG Resources LLC					0.18055556						0.045139	Pooled

S/2 N/2 Development- Application 21838									
Tract participation Factor	0.125	0.125	0.125	0.25	0.25	0.25	0.25	0.25	
WI Owners									
Apache Corporation	0.497912005	1	0.0108	0.819445				0.3921	JOA
Marathon Oil Permian, LLC	0.497912							0.062239	Pooled
Fairway Oil and Gas Company	0.004176							0.000522	Pooled
Fasken Land and Minerals, Ltd.			0.018000					0.0045	Pooled
RSC Resources, LP			0.000840					0.00021	Pooled
Peregrine Production, LLC			0.000360					0.00009	Pooled
Redfern Enterprises, Inc.			0.130000					0.0325	Pooled
Flag "77" Ltd.			0.125000					0.03125	Pooled
Ege Oil Company			0.036667					0.009167	Pooled
Fairway Oil and Gas Company			0.004176					0.001044	Pooled
PBEX, LLC			0.036667					0.009167	JOA
Devon Energy Production Company, LP			0.637490					0.159373	Pooled
EOG Resources LLC							0.180555556	0.045139	Pooled
Concho Oil and Gas, LLC/ COG Operating, LLC/ ConocoPhillips								0.25	Pooled

N/2 S/2 Development- Application 21839										
Tract participation Factor	Tract N/2 SE/4 25	NE/4 SW/4 25	NE/4 SW/4 25	NW/4 SW/4 25	NW/4 SW/4 25	NE/4 SE/4 26	NW/4 SE/4 26	N/2 SW/4 26	Total	Pooled/JOA
WI Owners										
Apache Corporation	1					1.000000		1	0.75	JOA
Colgate Production LLC				1					0.125	Pooled
Fasken Land and Minerals, Ltd.					0.018000000				0.00225	Pooled
McCombs Energy, Ltd.					0.010800000				0.00135	Pooled
RSC Resources, LP					0.000840000				0.000105	Pooled
Peregrine Production, LLC					0.000360000				0.000045	Pooled
Redfern Enterprises, Inc.					0.130000000				0.01625	Pooled
Flag "77" Ltd.					0.125000000				0.015625	Pooled
Ege Oil Company					0.036666666				0.004583	Pooled
Fairway Oil and Gas Company					0.004175990				0.000522	Pooled
PBEX, LLC					0.036667000				0.004583	JOA
Devon Energy Production Company, LP					0.637490344				0.079686	Pooled

S/2 S/2 Development- Application 21840												Pooled/JOA
Tract participation Factor	SE/4 SE/4 25	SW/4 SE/4 25	SE/4 SE/4 25	SW/4 SW/4 25	SE/4 SW/4 25	S/2 SE/4 26	SW/4 SW/4 26	SE/4 SW/4 26	SW/4 SW/4 26	Total		
WI Owners												
Apache Corporation	1	0.497912				1.000000			1	0.562239	JOA Pooled	
Marathon Oil Permian, LLC		0.497912								0.062239	Pooled	
Fairway Oil and Gas Company		0.004176								0.000522	Pooled	
Fasken Land and Minerals, Ltd.			0.6							0.075	Pooled	
McCombs Energy, Ltd.			0.36							0.045	Pooled	
RSC Resources, LP			0.028							0.0035	Pooled	
Petregre Production, LLC			0.012							0.0015	Pooled	
Colgate Production LLC				1.0000000000						0.125	Pooled	
Bankers Life and Casualty Company								0.031250		0.003906	Pooled	
Tascosa Energy Partners								0.072656		0.009082	Pooled	
Permian Basin Acquisitions, LLC								0.4928517		0.061606	Pooled	
Ocean Oil Corporation								0.4032423		0.050405	Pooled	

OVERRIDING ROYALTY INTEREST OWNERS

- Faulconer Resources 1999 Limited Partnership
- Hold the Door, LP
- RSC Resources, LP
- Peregrine Production LLC
- Oxy USA WTP LP
- Leo Momsen, Jr.
- Gus Momsen, III
- Margaret Momsen
- Virginia M. Grady
- Frances M. Cunningham
- Clarence L. North Jr.
- Will Holt and wife, Vina Holt
- Meredith Jones
- Jonell Jones
- Marathon Oil Company
- Yates Brothers Partnership

Summary of Attempted Contacts

- Apache Corporation (“Apache”) conducted extensive title work to determine the working interest owners and other interest owners.
- Apache searched public records, phone directory, and various different types of internet searches.
- Apache sent well proposal letters to the working interest owners on or around February 22, 2021.
- Apache proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners and offered to send said form to owners upon request.
- Apache filed an application to force pool parties who had not entered in to an agreement.
- Apache’s counsel sent notices of the force pooling application to the addresses of record for the uncommitted interest owners.
- I have had multiple communications with V-F Petroleum, Inc. and COG Operating LLC and Concho Oil and Gas.
- V-F Petroleum’s interests were acquired by Colgate after these cases were filed. Colgate has entered an appearance in these cases and does not oppose Apache’s pooling applications. V-F Petroleum has now withdrawn its entry of appearance.
- COG Operating LLC and Concho Oil and Gas (now ConocoPhillips) do not object to these cases going forward.
- Apache also published notice in a newspaper of general circulation in the county where the wells will be located.





February 22, 2021

VIA CERTIFIED MAIL, RETURN RECEIPT
ARTICLE # 9414 8149 0216 9397 0203 13

EOG Y Resources, Inc.
104 S. 4th Street
Artesia, NM 88210

RE: WELL PROPOSALS
Camacho 25-26 State Com 201H
Camacho 25-26 State Com 202H
Camacho 25-26 State Com 203H
Camacho 25-26 State Com 204H
Camacho 25-26 State Com 301H
Camacho 25-26 State Com 302H
Camacho 25-26 State Com 303H
Camacho 25-26 State Com 304H
Sections 25 and 26, T19S-R27E
Eddy County, New Mexico

Dear Working Interest Owner,
Apache Corporation (herein referred to as "Apache") proposes to drill the following wells located in the referenced sections in order to sufficiently and effectively test the 2nd Bone Spring and 3rd Bone Spring formations. Further, the details and specifications of the herein proposed 2nd Bone Spring and 3rd Bone Spring wells are as follows:

Well Name:	CAMACHO 25-26 STATE COM 201H
Approx. Surface Location:	NE/4 NE/4 (Unit A) - Section 25-19S-27E
Approx. Terminus:	NW/4 NW/4 (Unit D)- Section 26-19S-27E
Objective:	2 nd Bone Spring
Approx. Total Vertical Depth:	7,030'
Approx. Total Measured Depth:	17,380'
Dry Hole Costs:	\$2,442,480
Completed Well Costs:	\$2,516,863
Equipping Costs:	\$500,000
Total Well Costs:	\$5,459,343

Well Name:	CAMACHO 25-26 STATE COM 202H
Approx. Surface Location:	SE/4 NE/4 (Unit H) – Section 25 -19S-27E
Approx. Terminus:	SW/4 NW/4 (Unit E)- Section 26-19S-27E
Objective:	2nd Bone Spring
Approx. Total Vertical Depth:	7,045'
Approx. Total Measured Depth:	17,395'
Dry Hole Costs:	\$2,442,480
Completed Well Costs:	\$2,516,863
Equipping Costs:	\$500,000
Total Well Costs:	\$5,459,343



Camacho 25-26 Development
February 22, 2021
Page 2 of 12

Well Name: CAMACHO 25-26 STATE COM 203H
Approx. Surface Location: NE/4 SE/4 (Unit I) - Section 25-19S-27E
Approx. Terminus: NW/4 SW/4 (Unit L)- Section 26-19S-27E
Objective: 2nd Bone Spring
Approx. Total Vertical Depth: 7,045'
Approx. Total Measured Depth: 17,395'
Dry Hole Costs: \$2,442,480
Completed Well Costs: \$2,516,863
Equipping Costs: \$500,000
Total Well Costs: \$5,459,343

Well Name: CAMACHO 25-26 STATE COM 204H
Approx. Surface Location: SE/4 SE/4 (Unit P) - Section 25-19S-27E
Approx. Terminus: SW/4 SW/4 (Unit M)- Section 26-19S-27E
Objective: 2nd Bone Spring
Approx. Total Vertical Depth: 7,095'
Approx. Total Measured Depth: 17,445'
Dry Hole Costs: \$2,442,480
Completed Well Costs: \$2,516,863
Equipping Costs: \$500,000
Total Well Costs: \$5,459,343

Well Name: CAMACHO 25-26 STATE COM 301H
Approx. Surface Location: NE/4 NE/4 (Unit A) - Section 25-19S-27E
Approx. Terminus: NW/4 NW/4 (Unit D)- Section 26-19S-27E
Objective: 3rd Bone Spring
Approx. Total Vertical Depth: 8,310'
Approx. Total Measured Depth: 18,660'
Dry Hole Costs: \$2,941,080
Completed Well Costs: \$3,085,586
Equipping Costs: \$500,000
Total Well Costs: \$6,526,666

Well Name: CAMACHO 25-26 STATE COM 302H
Approx. Surface Location: SE/4 NE/4 (Unit H) - Section 25-19S-27E
Approx. Terminus: SW/4 NW/4 (Unit E)- Section 26-19S-27E
Objective: 3rd Bone Spring
Approx. Total Vertical Depth: 8,310'
Approx. Total Measured Depth: 18,660'
Dry Hole Costs: \$2,941,080
Completed Well Costs: \$3,085,586
Equipping Costs: \$500,000
Total Well Costs: \$6,526,666

Camacho 25-26 Development
February 22, 2021
Page 3 of 12

Well Name:	CAMACHO 25-26 STATE COM 303H
Approx. Surface Location:	NE/4 SE/4 (Unit I) - Section 25-19S-27E
Approx. Terminus:	NW/4 SW/4 (Unit L)- Section 26-19S-27E
Objective:	3rd Bone Spring
Approx. Total Vertical Depth:	8,290'
Approx. Total Measured Depth:	18,640'
Dry Hole Costs:	\$2,941,080
Completed Well Costs:	\$3,085,586
Equipping Costs:	\$500,000
Total Well Costs:	\$6,526,666

Well Name:	CAMACHO 25-26 STATE COM 304H
Approx. Surface Location:	SE/4 SE/4 (Unit P) - Section 25-19S-27E
Approx. Terminus:	SW/4 SW/4 (Unit M)- Section 26-19S-27E
Objective:	3rd Bone Spring
Approx. Total Vertical Depth:	8,350'
Approx. Total Measured Depth:	18,700'
Dry Hole Costs:	\$2,941,080
Completed Well Costs:	\$3,085,586
Equipping Costs:	\$500,000
Total Well Costs:	\$6,526,666

Also enclosed is an AFE for the facility. The estimated cost of the Camacho 25-26 facility is \$5,405,000. The Camacho 25-26 facility will service eight (8) Bone Spring horizontal wells. Costs for the Camacho 25-26 facility will be shared proportionally by working interest owners in the wells across the sections. An election to participate in the wells will be an election to participate in this facility with your proportionate share of the working interest and this facility AFE is not a separate election.

Apache is proposing the Operations under the terms of a modified 1989 AAPL Model Form Operating Agreement ("JOA") covering Sections 25 and 26, 19S-27E, Eddy County, New Mexico with the following general provisions:

- 100%/300% Non-consenting penalty
- Drilling and Producing Rate of \$8,000/\$800
- Apache named as Operator

Enclosed, please find in duplicate our detailed AFES for your review. Should you wish to participate in Apache's proposed tests, please signify your acceptance by returning one (1) copy of each executed election ballot and (1) copy of each executed AFE, along with your well information requirement form. If you do not wish to participate in the proposed wells, Apache is willing to discuss an acquisition of your interest, subject to final management approval and contingent on reaching mutually satisfactory terms.

Camacho 25-26 Development
February 22, 2021
Page 4 of 12

If we do not reach an agreement within thirty (30) days from the date of this letter, Apache will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well(s). Please reach out to me at the email address below if you are interested in this option.

Should you have any further questions, please contact me at blake.johnson@apachecorp.com

Sincerely,

APACHE CORPORATION



Blake Johnson
Landman

Camacho 25-26 Development
February 22, 2021
Page 5 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 201H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 201H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 201H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 6 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 202H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 202H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 202H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 7 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 203H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 203H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 203H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 8 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 204H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 204H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 204H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 9 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 301H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 301H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 301H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 10 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 302H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 302H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 302H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 11 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 303H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 303H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 303H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho 25-26 Development
February 22, 2021
Page 12 of 12

WELL PROPOSAL ELECTION BALLOT
Camacho 25-26 State Com 304H
Sections 25-26 of T19S-R27E
Eddy County, New Mexico

_____ Elects to participate in the drilling and completion of the Camacho 25-26 State Com 304H

OR

_____ Does **NOT** elect to participate in the drilling and completion of the Camacho 25-26 State Com 304H

By: _____

Printed Name: _____

Company Name (if applicable): _____

Date: _____

Email Address: _____

Camacho Development
Camacho 25-26 State Com 201H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$75,000	\$3,741	\$0	\$78,741
70004	Casing Crews	30,000	\$0	\$0	\$30,000
70006	Cement and Cementing Services	164,180	\$0	\$0	\$164,180
70007	Chemicals	\$0	\$187,046	\$0	\$187,046
70008	Communications	6,400	\$0	\$0	\$6,400
70011	Company Supervision	3,500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	30,000	\$0	\$50,000	\$80,000
70019	Contract Rigs - Daywork	360,000	\$0	\$24,000	\$384,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42,500	\$0	\$0	\$42,500
70021	Contract Supervision	75,000	\$94,679	\$0	\$169,679
70022	Directional Drilling	200,000	\$0	\$0	\$200,000
70025	Drilling Fluids	275,000	\$0	\$0	\$275,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	90,000	\$61,402	\$15,000	\$166,402
70034	Formation and Well Stimulation	\$0	\$467,670	\$0	\$467,670
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	59,000	\$165,532	\$0	\$224,532
70046	Land and Site Reclamation	10,000	\$0	\$0	\$10,000
70047	Legal and Curative	20,000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15,000	\$0	\$0	\$15,000
70064	Rig Mobilization	140,000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100,000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35,000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	70,000	\$0	\$0	\$70,000
70077	Water	40,000	\$298,366	\$5,000	\$343,366
70078	Wellsite Damages, Loss, Rightof-Way	20,000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	110,000	\$0	\$0	\$110,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Cam@ Rentals	30,100	\$0	\$0	\$30,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$448,362	\$0	\$448,362
70243	Mud Logging	10,500	\$0	\$0	\$10,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$40,905	\$0	\$40,905
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5,000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83,000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19,000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	266,000	\$0	\$0	\$266,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71043	Pumps - Surface	\$0	\$0	\$0	\$0
71050	Surface Casing	12,800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45,000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$425,800	\$9,340	\$279,000	\$714,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203
Subtotal Tangible Costs	\$425,800	\$9,340	\$279,000	\$714,140
Grand Total	\$2,442,480	\$2,516,863	\$500,000	\$5,459,343

Drilling

Notes: Drill a horizontal well to produce the 2nd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~7600' MD, 7250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~17500' MD, 7150' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 17500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 1500 #/ft. 0% RC 36 BBL/ft water @ 0.72 5/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 201H

Partner Signature: _____
Printed Owner Name: _____
Date: _____



Apache
Camacho Development
Camacho 25-26 State Com 301H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$92,500	\$3,741	\$0	\$96,241
70004	Casing Crews	35000	\$0	\$0	\$35,000
70006	Cement and Cementing Services	173080	\$0	\$0	\$173,080
70007	Chemicals	\$0	\$232,773	\$0	\$232,773
70008	Communications	9600	\$0	\$0	\$9,600
70011	Company Supervision	3500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	35000	\$0	\$50,000	\$85,000
70019	Contract Rigs - Daywork	560000	\$0	\$24,000	\$584,000
70020	CONTRACT RIGS - FOOTAGE/TURKEY	42500	\$0	\$0	\$42,500
70021	Contract Supervision	106000	\$94,679	\$0	\$200,679
70022	Directional Drilling	220000	\$0	\$0	\$220,000
70025	Drilling Fluids	350000	\$0	\$0	\$350,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	135000	\$61,402	\$15,000	\$211,402
70034	Formation and Well Stimulation	\$0	\$641,378	\$0	\$641,378
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	87000	\$242,312	\$0	\$329,312
70046	Land and Site Reclamation	10000	\$0	\$0	\$10,000
70047	Legal and Curative	20000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15000	\$0	\$0	\$15,000
70064	Rig Mobilization	140000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	75000	\$0	\$0	\$75,000
70077	Water	45000	\$392,553	\$5,000	\$442,553
70078	Wellsite Damages, Loss, Right-of-Way	20000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	125000	\$0	\$0	\$125,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	44100	\$0	\$0	\$44,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$613,602	\$0	\$613,602
70243	Mud Logging	16,500	\$0	\$0	\$16,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$53,987	\$0	\$53,987
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	281000	\$0	\$0	\$281,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$440,800	\$9,340	\$279,000	\$729,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527
Subtotal Tangible Costs	\$440,800	\$9,340	\$279,000	\$729,140
Grand Total	\$2,941,080	\$3,085,586	\$500,000	\$6,526,666

Drilling
 Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~8600' MD, 8250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~18500' MD, 8500' TVD. Set and cmt 5-1/2" 20# CYP-110 G8-CD casing string to 18500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions
 60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 2100 #/ft. 0% RC 48 BBL/ft water @ 0.72 5/BBL

Equipping
 This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 301H

Partner Signature: _____
Printed Owner Name: _____
Date: _____

Camacho Development
Camacho 25-26 State Com 202H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$75,000	\$3,741	\$0	\$78,741
70004	Casing Crews	30,000	\$0	\$0	\$30,000
70006	Cement and Cementing Services	164,180	\$0	\$0	\$164,180
70007	Chemicals	\$0	\$187,046	\$0	\$187,046
70008	Communications	6,400	\$0	\$0	\$6,400
70011	Company Supervision	3,500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	30,000	\$0	\$50,000	\$80,000
70019	Contract Rigs - Daywork	360,000	\$0	\$24,000	\$384,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42,500	\$0	\$0	\$42,500
70021	Contract Supervision	75,000	\$94,679	\$0	\$169,679
70022	Directional Drilling	200,000	\$0	\$0	\$200,000
70025	Drilling Fluids	275,000	\$0	\$0	\$275,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	90,000	\$61,402	\$15,000	\$166,402
70034	Formation and Well Stimulation	\$0	\$467,670	\$0	\$467,670
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	\$9,000	\$165,532	\$0	\$224,532
70046	Land and Site Reclamation	10,000	\$0	\$0	\$10,000
70047	Legal and Curative	20,000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15,000	\$0	\$0	\$15,000
70064	Rig Mobilization	140,000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100,000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35,000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	70,000	\$0	\$0	\$70,000
70077	Water	40,000	\$298,366	\$5,000	\$343,366
70078	Wellsite Damages, Loss, Rightof-Way	20,000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	110,000	\$0	\$0	\$110,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	30,100	\$0	\$0	\$30,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$448,362	\$0	\$448,362
70243	Mud Logging	10,500	\$0	\$0	\$10,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$40,905	\$0	\$40,905
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5,000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83,000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19,000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	266,000	\$0	\$0	\$266,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12,800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45,000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$425,800	\$9,340	\$279,000	\$714,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203
Subtotal Tangible Costs	\$425,800	\$9,340	\$279,000	\$714,140
Grand Total	\$2,442,480	\$2,516,863	\$500,000	\$5,459,343

Drilling

Notes: Drill a horizontal well to produce the 2nd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~7600' MD, 7250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~17500' MD, 7150' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 17500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 1500 #/ft. 0% RC 36 BBL/ft water @ 0.72 S/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 202H

Partner Signature: _____
 Printed Owner Name: _____
 Date: _____

Camacho Development Camacho 25-26 State Com 302H AFE					
Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$92,500	\$3,741	\$0	\$96,241
70004	Casing Crews	35000	\$0	\$0	\$35,000
70006	Cement and Cementing Services	173080	\$0	\$0	\$173,080
70007	Chemicals	\$0	\$232,773	\$0	\$232,773
70008	Communications	9600	\$0	\$0	\$9,600
70011	Company Supervision	3500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	35000	\$0	\$50,000	\$85,000
70019	Contract Rigs - Daywork	560000	\$0	\$24,000	\$584,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42500	\$0	\$0	\$42,500
70021	Contract Supervision	106000	\$94,679	\$0	\$200,679
70022	Directional Drilling	220000	\$0	\$0	\$220,000
70025	Drilling Fluids	350000	\$0	\$0	\$350,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	135000	\$61,402	\$15,000	\$211,402
70034	Formation and Well Stimulation	\$0	\$641,378	\$0	\$641,378
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	87000	\$242,312	\$0	\$329,312
70046	Land and Site Reclamation	10000	\$0	\$0	\$10,000
70047	Legal and Curative	20000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15000	\$0	\$0	\$15,000
70064	Rig Mobilization	140000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	75000	\$0	\$0	\$75,000
70077	Water	45000	\$392,553	\$5,000	\$442,553
70078	Wellsite Damages, Loss, Rightof-Way	20000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	125000	\$0	\$0	\$125,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	44100	\$0	\$0	\$44,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$613,602	\$0	\$613,602
70243	Mud Logging	16,500	\$0	\$0	\$16,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$53,987	\$0	\$53,987
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527
Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	281000	\$0	\$0	\$281,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$440,800	\$9,340	\$279,000	\$729,140
Summary					
Description	Dry Hole	Completion	Equipping	Total Well Cost	
Subtotal Intangible Costs	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527	
Subtotal Tangible Costs	\$440,800	\$9,340	\$279,000	\$729,140	
Grand Total	\$2,941,080	\$3,085,586	\$500,000	\$6,526,666	
Drilling					
Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~8600' MD, 8250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~18500' MD, 8500' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 18500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.					
Completions					
60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 2100 #/ft. 0% RC 48 BBL/ft water @ 0.72 S/BBL					
Equipping					
This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.					
CAMACHO 25-26 STATE COM 302H					
Partner Signature: _____					
Printed Owner Name: _____					
Date: _____					

Camacho Development
Camacho 25-26 State Com 203H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$75,000	\$3,741	\$0	\$78,741
70004	Casing Crews	30,000	\$0	\$0	\$30,000
70006	Cement and Cementing Services	164,180	\$0	\$0	\$164,180
70007	Chemicals	\$0	\$187,046	\$0	\$187,046
70008	Communications	6,400	\$0	\$0	\$6,400
70011	Company Supervision	3,500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	30,000	\$0	\$50,000	\$80,000
70019	Contract Rigs - Daywork	360,000	\$0	\$24,000	\$384,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42,500	\$0	\$0	\$42,500
70021	Contract Supervision	75,000	\$94,679	\$0	\$169,679
70022	Directional Drilling	200,000	\$0	\$0	\$200,000
70025	Drilling Fluids	275,000	\$0	\$0	\$275,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	90,000	\$61,402	\$15,000	\$166,402
70034	Formation and Well Stimulation	\$0	\$467,670	\$0	\$467,670
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	59,000	\$165,532	\$0	\$224,532
70046	Land and Site Reclamation	10,000	\$0	\$0	\$10,000
70047	Legal and Curative	20,000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15,000	\$0	\$0	\$15,000
70064	Rig Mobilization	140,000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100,000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35,000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	70,000	\$0	\$0	\$70,000
70077	Water	40,000	\$298,366	\$5,000	\$343,366
70078	Wellsite Damages, Loss, Rightof- Way	20,000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	110,000	\$0	\$0	\$110,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	30,100	\$0	\$0	\$30,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$448,362	\$0	\$448,362
70243	Mud Logging	10,500	\$0	\$0	\$10,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$40,905	\$0	\$40,905
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5,000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83,000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19,000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	266,000	\$0	\$0	\$266,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12,800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45,000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$425,800	\$9,340	\$279,000	\$714,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203
Subtotal Tangible Costs	\$425,800	\$9,340	\$279,000	\$714,140
Grand Total	\$2,442,480	\$2,516,863	\$500,000	\$5,459,343

Drilling

Notes: Drill a horizontal well to produce the 2nd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~7600' MD, 7250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~17500' MD, 7150' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 17500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 1500 #/ft. 0% RC 36 BBL/ft water @ 0.72 5/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 203H

Partner Signature: _____
Printed Owner Name: _____
Date: _____

Apache
Camacho Development
Camacho 25-26 State Com 303H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$92,500	\$3,741	\$0	\$96,241
70004	Casing Crews	35000	\$0	\$0	\$35,000
70006	Cement and Cementing Services	173080	\$0	\$0	\$173,080
70007	Chemicals	\$0	\$232,773	\$0	\$232,773
70008	Communications	9600	\$0	\$0	\$9,600
70011	Company Supervision	3500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	35000	\$0	\$50,000	\$85,000
70019	Contract Rigs - Daywork	560000	\$0	\$24,000	\$584,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42500	\$0	\$0	\$42,500
70021	Contract Supervision	106000	\$94,679	\$0	\$200,679
70022	Directional Drilling	220000	\$0	\$0	\$220,000
70025	Drilling Fluids	350000	\$0	\$0	\$350,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	135000	\$61,402	\$15,000	\$211,402
70034	Formation and Well Stimulation	\$0	\$641,378	\$0	\$641,378
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	87000	\$242,312	\$0	\$329,312
70046	Land and Site Reclamation	10000	\$0	\$0	\$10,000
70047	Legal and Curative	20000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15000	\$0	\$0	\$15,000
70064	Rig Mobilization	140000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	75000	\$0	\$0	\$75,000
70077	Water	45000	\$392,553	\$5,000	\$442,553
70078	Wellsite Damages, Loss, Rightof-Way	20000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	125000	\$0	\$0	\$125,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	44100	\$0	\$0	\$44,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$613,602	\$0	\$613,602
70243	Mud Logging	16,500	\$0	\$0	\$16,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$53,987	\$0	\$53,987
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	281000	\$0	\$0	\$281,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$440,800	\$9,340	\$279,000	\$729,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527
Subtotal Tangible Costs	\$440,800	\$9,340	\$279,000	\$729,140
Grand Total	\$2,941,080	\$3,085,586	\$500,000	\$6,526,666

Drilling

Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~8600' MD, 8250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~18500' MD, 8500' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 18500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 2100 #/ft. 0% RC 48 BBL/ft water @ 0.72 S/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 303H

Partner Signature: _____
 Printed Owner Name: _____
 Date: _____

Camacho Development
Camacho 25-26 State Com 204H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$75,000	\$3,741	\$0	\$78,741
70004	Casing Crews	30,000	\$0	\$0	\$30,000
70006	Cement and Cementing Services	164,180	\$0	\$0	\$164,180
70007	Chemicals	\$0	\$187,046	\$0	\$187,046
70008	Communications	6,400	\$0	\$0	\$6,400
70011	Company Supervision	3,500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	30,000	\$0	\$50,000	\$80,000
70019	Contract Rigs - Daywork	360,000	\$0	\$24,000	\$384,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42,500	\$0	\$0	\$42,500
70021	Contract Supervision	75,000	\$94,679	\$0	\$169,679
70022	Directional Drilling	200,000	\$0	\$0	\$200,000
70025	Drilling Fluids	275,000	\$0	\$0	\$275,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	90,000	\$61,402	\$15,000	\$166,402
70034	Formation and Well Stimulation	\$0	\$467,670	\$0	\$467,670
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	59,000	\$165,532	\$0	\$224,532
70046	Land and Site Reclamation	10,000	\$0	\$0	\$10,000
70047	Legal and Curative	20,000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15,000	\$0	\$0	\$15,000
70064	Rig Mobilization	140,000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100,000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35,000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	70,000	\$0	\$0	\$70,000
70077	Water	40,000	\$298,366	\$5,000	\$343,366
70078	Wellsite Damages, Loss, Rightof-Way	20,000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	110,000	\$0	\$0	\$110,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	30,100	\$0	\$0	\$30,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$448,362	\$0	\$448,362
70243	Mud Logging	10,500	\$0	\$0	\$10,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$40,905	\$0	\$40,905
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5,000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83,000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19,000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	266,000	\$0	\$0	\$266,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12,800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45,000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$425,800	\$9,340	\$279,000	\$714,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,016,680	\$2,507,523	\$221,000	\$4,745,203
Subtotal Tangible Costs	\$425,800	\$9,340	\$279,000	\$714,140
Grand Total	\$2,442,480	\$2,516,863	\$500,000	\$5,459,343

Drilling

Notes: Drill a horizontal well to produce the 2nd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~7600' MD, 7250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~17500' MD, 7150' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 17500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 1500 #/ft. 0% RC 36 BBL/ft water @ 0.72 S/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 204H

Partner Signature: _____
Printed Owner Name: _____
Date: _____

Camacho Development
Camacho 25-26 State Com 304H AFE

Intangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
65506	Drilling/Percentage Overhead	\$0	\$0	\$0	\$0
70003	Bits Coreheads and Reamers	\$92,500	\$3,741	\$0	\$96,241
70004	Casing Crews	35000	\$0	\$0	\$35,000
70006	Cement and Cementing Services	173080	\$0	\$0	\$173,080
70007	Chemicals	\$0	\$232,773	\$0	\$232,773
70008	Communications	9600	\$0	\$0	\$9,600
70011	Company Supervision	3500	\$8,016	\$20,000	\$31,516
70012	Company Vehicle and/or Boat	500	\$573	\$1,000	\$2,073
70017	Contract Labor	35000	\$0	\$50,000	\$85,000
70019	Contract Rigs - Daywork	560000	\$0	\$24,000	\$584,000
70020	CONTRACT RIGS - FOOTAGE/TURNKEY	42500	\$0	\$0	\$42,500
70021	Contract Supervision	106000	\$94,679	\$0	\$200,679
70022	Directional Drilling	220000	\$0	\$0	\$220,000
70025	Drilling Fluids	350000	\$0	\$0	\$350,000
70026	Electrical Contract	\$0	\$0	\$25,000	\$25,000
70031	Equipment Rental	135000	\$61,402	\$15,000	\$211,402
70034	Formation and Well Stimulation	\$0	\$641,378	\$0	\$641,378
70035	Formation Testing	\$0	\$51,300	\$0	\$51,300
70037	Fuel	87000	\$242,312	\$0	\$329,312
70046	Land and Site Reclamation	10000	\$0	\$0	\$10,000
70047	Legal and Curative	20000	\$0	\$0	\$20,000
70049	Logging	\$0	\$282,830	\$15,000	\$297,830
70054	LOE-Other	15000	\$0	\$0	\$15,000
70064	Rig Mobilization	140000	\$0	\$0	\$140,000
70065	Road and Site Preparation	100000	\$9,619	\$0	\$109,619
70067	Salt Water Disposal	\$0	\$14,587	\$0	\$14,587
70069	Coiled Tubing	\$0	\$110,397	\$0	\$110,397
70074	Trucking and Hauling	35000	\$0	\$15,000	\$50,000
70076	Tubular Inspection/Testing	75000	\$0	\$0	\$75,000
70077	Water	45000	\$392,553	\$5,000	\$442,553
70078	Wellsite Damages, Loss, Rightof- Way	20000	\$0	\$10,000	\$30,000
70116	Containment Disposal Expense	125000	\$0	\$0	\$125,000
70121	Automation Labor	\$0	\$0	\$16,000	\$16,000
70169	Camp Rentals	44100	\$0	\$0	\$44,100
70186	Flowback Tester	\$0	\$24,672	\$20,000	\$44,672
70187	Pump Truck Service	\$0	\$0	\$5,000	\$5,000
70198	Sand/Proppant	\$0	\$613,602	\$0	\$613,602
70243	Mud Logging	16,500	\$0	\$0	\$16,500
70255	Drilling Operations Center	\$0	\$0	\$0	\$0
70285	Water Transfer	\$0	\$81,759	\$0	\$81,759
70286	Water Treatment	\$0	\$53,987	\$0	\$53,987
70289	Frac Plugs	\$0	\$44,888	\$0	\$44,888
70291	Frac Valve / Frac Tree	\$0	\$111,179	\$0	\$111,179
70529	Safety Case	5000	\$0	\$0	\$5,000
Subtotal	Intangible Materials Cost	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527

Tangible Development Costs					
Acct	Description	Dry Hole	Completion	Equipping	Total Well Cost
71001	Artificial Lift Equipment	\$0	\$0	\$30,000	\$30,000
71012	Flow Lines	\$0	\$0	\$45,000	\$45,000
71018	Instrumentation	\$0	\$0	\$30,000	\$30,000
71019	Intermediate Casing	83000	\$0	\$0	\$83,000
71032	Other Subsurface Equipment	19000	\$0	\$50,000	\$69,000
71034	Personnel Safety Systems	\$0	\$9,340	\$0	\$9,340
71036	Pipe, Valves, Fittings and Anodes	\$0	\$0	\$25,000	\$25,000
71040	Production Casing	281000	\$0	\$0	\$281,000
71043	Pumps - Surface	\$0	\$0	\$4,000	\$4,000
71050	Surface Casing	12800	\$0	\$0	\$12,800
71053	Tubing	\$0	\$0	\$75,000	\$75,000
71056	Wellhead Assembly	45000	\$0	\$20,000	\$65,000
Subtotal	Tangible Materials Cost	\$440,800	\$9,340	\$279,000	\$729,140

Description	Dry Hole	Completion	Equipping	Total Well Cost
Subtotal Intangible Costs	\$2,500,280	\$3,076,247	\$221,000	\$5,797,527
Subtotal Tangible Costs	\$440,800	\$9,340	\$279,000	\$729,140
Grand Total	\$2,941,080	\$3,085,586	\$500,000	\$6,526,666

Drilling

Drill a horizontal well to produce the 3rd Bone Spring Sand formation as follows: Preset 17-1/2" hole to 400' with spudder rig. Set 13-3/8" 48# H-40 casing and cement to surface. Drill a 12-1/4" hole to 3000'. Set 9-5/8" 40# J-55 casing and cement to surface. Drill an 8-3/4" depth of ~6800'. Drill an 8-3/4" curve at 12 DEG/100' and land at ~8600' MD, 8250' TVD. Drill a ~9800, 8-1/2" lateral section to TD of ~18500' MD, 8500' TVD. Set and cmt 5-1/2" 20# CYP-110 GB-CD casing string to 18500'. Estimated time is 3 days MIRU + 9 Days to Drill + 2 days TD-RR. Rig Rate = \$25,500K per day.

Completions

60 Stage P&P complete 10,360 ft. lateral @ 170 ft/stg 2100 #/ft. 0% RC 48 BBL/ft water @ 0.72 S/BBL

Equipping

This AFE will provide funds to equip and produce a horizontal well. The funds requested will be used to purchase and install headers for production flowlines and gas injection flowline for the pad, installation of artificial lift, flow back for two weeks, wellhead automation, and production tree.

CAMACHO 25-26 STATE COM 304H

Partner Signature: _____
Printed Owner Name: _____
Date: _____



MODRALL SPERLING

L A W Y E R S

Lance D. Hough
Tel: 505.848.1826
Fax: 505.848.9710
Lance.Hough@modrall.com

April 16, 2021

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Apache Corporation has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 21837: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 201H** and **Camacho 25-26 State Com 301H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 21838: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com**

Modrall Spierling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

AFFECTED PARTIES

Apache / Camacho 25-26 State Com 201H-204H, 301H-304H wells

April 16, 2021

Page 2

202H and **Camacho 25-26 State Com 302H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 21839: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 203H** and **Camacho 25-26 State Com 303H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Case No. 21840: Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 204H** and **Camacho 25-26 State Com 304H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge

AFFECTED PARTIES

Apache / Camacho 25-26 State Com 201H-204H, 301H-304H wells

April 16, 2021

Page 3

for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

These applications have been set for hearing before a Division Examiner at **8:15 a.m. on May 6, 2021**. During the COVID-19 Public Health Emergency, the hearing will be conducted remotely. Instructions to appear can be found under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Lance D. Hough
Attorney for Applicant

EED/ldh/W4048491.DOCX

Enclosures: as stated

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21837

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 201H** well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,030' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 301H** well is a horizontal well with a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the

NW/4 NW/4 (Unit D) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;


D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029068.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 201H** and **Camacho 25-26 State Com 301H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21838

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 202H** well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 302H** well is a horizontal well with a surface location in the SE/4 NE/4 (Unit H) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the

SW/4 NW/4 (Unit E) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,310' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029076.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 202H** and **Camacho 25-26 State Com 302H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21839

APPLICATION

Apache Corporation ("Apache"), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 203H** well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,045' to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 303H** well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4

SW/4 (Unit L) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,290' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:  _____

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029108.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 203H** and **Camacho 25-26 State Com 303H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

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

**APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21840

APPLICATION

Apache Corporation (“Apache”), OGRID Number 873, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Apache states as follows:

1. Apache is an interest owner in the subject lands and has a right to drill a well thereon.
2. Apache seeks to dedicate the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico to form a 320-acre, more or less, Bone Spring standard horizontal spacing unit.
3. Apache plans to drill the following horizontal wells in a westerly direction to a depth sufficient to test the Bone Spring formation:
 - a. The **Camacho 25-26 State Com 204H** well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,095’ to the Bone Spring formation.
 - b. The **Camacho 25-26 State Com 304H** well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 27 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4

SW/4 (Unit M) of Section 26, Township 19 South, Range 27 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,350' to the Bone Spring formation.

4. These wells will be located within the Winchester, Bone Spring Pool (Pool Code 65010) and will comply with the Division's statewide setback requirements.

5. Apache sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The creation of a standard horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Apache requests that this case is set for hearing before an Examiner of the Oil Conservation Division on May 6, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximately 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation comprised of the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a standard horizontal spacing unit within the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico;

C. Designating Apache as operator of this unit and the wells to be drilled thereon;

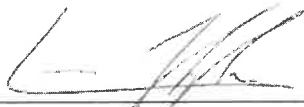
D. Authorizing Apache to recover its costs of drilling, completing and equipping the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
lance.hough@modrall.com
Attorneys for Applicant

W4029110.DOCX

Application of Apache Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the **Camacho 25-26 State Com 204H** and **Camacho 25-26 State Com 304H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.

Zina Crum
 Modrall Spering
 500 4th Street NW
 Suite 1000
 Albuquerque NM 87102

PS Form 3877
 Type of Mailing: CERTIFIED MAIL
 04/16/2021

Firm Mailing Book ID: 207356

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0081 6459 58	Bankers Life and Casualty Company 222 Merchandise Mart Plaza Chicago IL 60654	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
2	9314 8699 0430 0081 6459 65	Bankers Life and Casualty Company 111 E. Wacker Dr., Suite 2100 Chicago IL 60601	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
3	9314 8699 0430 0081 6459 72	Canyon Draw Resources, LLC 1999 Bryan St., Suite 900 Dallas TX 75201	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
4	9314 8699 0430 0081 6459 89	Clarence L. North Jr. 5928 E INGRAM ST MESA AZ 85205	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
5	9314 8699 0430 0081 6459 96	COG Operating LLC 600 W. Illinois Ave Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
6	9314 8699 0430 0081 6460 09	Concho Oil and Gas, LLC 600 W. Illinois Ave Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
7	9314 8699 0430 0081 6460 16	Devon Energy Production Company, LP PO Box 843559 Dallas TX 75284	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
8	9314 8699 0430 0081 6460 23	E. G. L. Resources, Inc. PO Box 10886 Midland TX 79702	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
9	9314 8699 0430 0081 6460 30	EOG Y Resources, Inc. 104 S. 4th Street Artesia NM 88210	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
10	9314 8699 0430 0081 6460 47	Fairway Oil and Gas Company PO Box 97 Chandler TX 75758	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
11	9314 8699 0430 0081 6460 54	Fairway Oil and Gas Company PO Box 50890 Midland TX 79710	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
12	9314 8699 0430 0081 6460 61	Fasken Land and Minerals, Ltd. 6101 Holiday Hill Road Midland TX 79707	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
13	9314 8699 0430 0081 6460 78	Faulconer Resources 1999 Limited Partnership PO BOX 7995 TYLER TX 75711	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
14	9314 8699 0430 0081 6460 85	Faulconer Resources 1999 Limited Partnership 1001 E. SOUTHEAST LOOP 323, SUITE 160 TYLER TX 75701	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
15	9314 8699 0430 0081 6460 92	Frances M. Cunningham 526 ZACHARY DRI WEATHERFORD TX 76087	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice



PS Form 3877
Type of Mailing: CERTIFIED MAIL
04/16/2021

Zina Crum
Modrall Sperling
500 4th Street NW
Suite 1000
Albuquerque NM 87102

Firm Mailing Book ID: 207356

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0081 6461 08	Hold the Door, LP 6824 ISLAND CIRCLE MIDLAND TX 79707	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
17	9314 8699 0430 0081 6461 15	Jonell Jones 6701 Cindy Pl Apt #87 New Orleans LA 70127	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
18	9314 8699 0430 0081 6461 22	Jonell Jones 310 Cornell ave Calumet City IL 60409	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
19	9314 8699 0430 0081 6461 39	Jonell Jones 4413 SKYVIEW DR New Orleans LA 70126	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
20	9314 8699 0430 0081 6461 46	Jonell Jones 5821 Elystan Fields Ave New Orleans LA 70122	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
21	9314 8699 0430 0081 6461 53	Jonell Jones 6810 Edgewater Lane New Orleans LA 70126	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
22	9314 8699 0430 0081 6461 60	Leo Momsen, Jr. 2377 HICKORY ST SAN DIEGO CA 92103	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
23	9314 8699 0430 0081 6461 77	Marathon Oil Company 5555 SAN FELIPE STREET HOUSTON TX 77056	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
24	9314 8699 0430 0081 6461 84	Marathon Oil Permian, LLC PO BOX 732312 Dallas TX 75373	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
25	9314 8699 0430 0081 6461 91	Margaret Momsen 2135 N 47TH ST PHOENIX AZ 85018	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
26	9314 8699 0430 0081 6462 07	McCombs Energy, Ltd. 750 E. Mulberry Ave., Suite 403 San Antonio TX 78212	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
27	9314 8699 0430 0081 6462 14	Meredith Jones PO BOX 894 ARTESIA NM 88211	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
28	9314 8699 0430 0081 6462 21	Oxy USA WTP LP 5 GREENWAY PLAZA HOUSTON TX 77046	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
29	9314 8699 0430 0081 6462 38	Peregrine Production LLC PO BOX 50655 MIDLAND TX 79710	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
30	9314 8699 0430 0081 6462 45	Redfern Enterprises, Inc. PO Box 2127 Midland TX 79702	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice

Zina Crum
 Modrall Sperling
 500 4th Street NW
 Suite 1000
 Albuquerque NM 87102

PS Form 3877
 Type of Mailing: CERTIFIED MAIL
 04/16/2021

Firm Mailing Book ID: 207356

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
31	9314 8699 0430 0081 6462 52	Redfern Enterprises, Inc. 303 W. Wall St., Suite 1900 Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
32	9314 8699 0430 0081 6462 69	Redfern Enterprises, Inc. 2001 Bedford Dr. Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
33	9314 8699 0430 0081 6462 76	Redfern Enterprises, Inc. 6424 Norway Rd. Dallas TX 75230	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
34	9314 8699 0430 0081 6462 83	RSC Resources, LP 9740 W. FM 2147 Suite 8329 Horseshoe Bay TX 78657	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
35	9314 8699 0430 0081 6462 90	RSC Resources, LP 306 W. WALL ST MIDLAND TX 79701	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
36	9314 8699 0430 0081 6463 06	Tascosa Energy Partners, LLC 901 W. Missouri Ave Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
37	9314 8699 0430 0081 6463 13	Tascosa Energy Partners, LLC 5308 Harkle Road, Suite 100 Santa Fe NM 87505	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
38	9314 8699 0430 0081 6463 20	V-F Petroleum Inc PO Box 1889 Midland TX 79702	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
39	9314 8699 0430 0081 6463 37	Vignia M. Grady 3726 LEDGESTONE DRIVE HOUSTON TX 77059	\$1.20	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
40	9314 8699 0430 0081 6463 44	Will Holt and Wife, Vina Holt 7036 CASA LOMA CIRCLE EL PASO TX 79912	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
41	9314 8699 0430 0081 6463 51	Yates Brothers Partnership P BOX 1394 ARTESIA NM 88211	\$1.40	\$3.60	\$1.75	\$0.00	13454.0171 Camacho Notice
Totals:			\$55.20	\$147.60	\$71.75	\$0.00	\$274.55



List Number of Pieces Received at Post Office: _____ Dated: _____
 List Number of Pieces Received at Post Office: _____ Dated: _____
 Name of receiving employee

[Handwritten signature]

Transaction Report Details - CertifiedPro.net

Firm Mail Book ID= 207356

Generated: 5/13/2021 1:23:29 PM

USPS Tracking Number	Name 2	Address 1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300081646331	2021-04-16 10:04 AM Yates Brothers Partnership	F BOX 1394	ARTESIA	NM	88211	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-19 9:58 AM
9314869904300081646344	2021-04-16 10:04 AM Will Holt and Wife, Vina Holt	7036 CASA LOMA CIRCLE	EL PASO	TX	79912	Undelivered	Return Receipt - Electronic, Certified Mail	2021-04-20 5:15 PM
9314869904300081646337	2021-04-16 10:04 AM Virginia M. Grady	3726 LEDGESTONE DRIVE	HOUSTON	TX	77059	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 1:25 PM
9314869904300081646320	2021-04-16 10:04 AM V-F Petroleum Inc	PO Box 1889	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646313	2021-04-16 10:04 AM Tascosa Energy Partners, LLC	5308 Hankle Road, Suite 100	Santa Fe	NM	87505	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646306	2021-04-16 10:04 AM Tascosa Energy Partners, LLC	901 W. Missouri Ave	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 10:02 AM
9314869904300081646290	2021-04-16 10:04 AM RSC Resources, LP	306 W. WALL ST	MIDLAND	TX	79701	Undelivered	Return Receipt - Electronic, Certified Mail	2021-04-21 11:58 AM
9314869904300081646283	2021-04-16 10:04 AM RSC Resources, LP	9740 W. FM 2147 Suite 8329	Horseshoe Bay	TX	75230	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 11:11 AM
9314869904300081646276	2021-04-16 10:04 AM Redfern Enterprises, Inc.	6424 Norway Rd.	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 11:32 AM
9314869904300081646289	2021-04-16 10:04 AM Redfern Enterprises, Inc.	2001 Bedford Dr.	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 2:28 PM
9314869904300081646252	2021-04-16 10:04 AM Redfern Enterprises, Inc.	303 W. Wall St., Suite 1900	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 10:48 AM
9314869904300081646245	2021-04-16 10:04 AM Redfern Enterprises, Inc.	PO Box 2127	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646238	2021-04-16 10:04 AM Peregrine Production LLC	PO BOX 50655	MIDLAND	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 1:37 PM
9314869904300081646221	2021-04-16 10:04 AM Oxy USA WTP LP	5 GREENWAY PLAZA	HOUSTON	TX	77046	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646214	2021-04-16 10:04 AM Meredith Jones	PO BOX 894	ARTESIA	NM	88211	To be Returned	Return Receipt - Electronic, Certified Mail	2021-04-20 9:02 AM
9314869904300081646207	2021-04-16 10:04 AM McCombs Energy, Ltd.	750 E. Mulberry Ave., Suite 403	San Antonio	TX	78212	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646201	2021-04-16 10:04 AM Margaret Momsen	2135 N.47TH ST	PHOENIX	AZ	85018	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646194	2021-04-16 10:04 AM Marathon Oil Permian, LLC	PO BOX 732312	Dallas	TX	75273	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646177	2021-04-16 10:04 AM Marathon Oil Company	5555 SAN FELIPE STREET	HOUSTON	TX	77056	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 2:40 PM
9314869904300081646160	2021-04-16 10:04 AM Leo Momsen, Jr.	2377 HICKORY ST	SAN DIEGO	CA	92103	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-19 2:00 PM
9314869904300081646153	2021-04-16 10:04 AM Jonell Jones	6810 Edgewater Lane	New Orleans	LA	70126	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646146	2021-04-16 10:04 AM Jonell Jones	5821 Elysian Fields Ave	New Orleans	LA	70122	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646139	2021-04-16 10:04 AM Jonell Jones	4413 SKYVIEW DR	New Orleans	LA	70126	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 4:30 PM
9314869904300081646122	2021-04-16 10:04 AM Jonell Jones	310 Cornell ave	Calumet City	IL	60409	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 11:01 AM
9314869904300081646115	2021-04-16 10:04 AM Jonell Jones	6701 Cindy Pl Apt #87	New Orleans	LA	70127	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300081646108	2021-04-16 10:04 AM Hold the Door, LP	6824 ISLAND CIRCLE	MIDLAND	TX	79707	Undelivered - Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300081646092	2021-04-16 10:04 AM Frances M. Cunningham	526 ZACHARY DRI	WEATHERFORD	TX	76087	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 10:35 AM
9314869904300081646085	2021-04-16 10:04 AM Faulconer Resources	1001 E. SOUTHEAST LOOP 323, SUITE 160	TYLER	TX	75701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 11:27 AM
9314869904300081646078	2021-04-16 10:04 AM Faulconer Resources	PO BOX 7995	TYLER	TX	75711	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 1:35 PM
9314869904300081646061	2021-04-16 10:04 AM Fasken Land and Minerals, Ltd.	6101 Holiday Hill Road	Midland	TX	79710	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300081646054	2021-04-16 10:04 AM Fairway Oil and Gas Company	PO Box 50890	Midland	TX	79710	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300081646047	2021-04-16 10:04 AM Fairway Oil and Gas Company	PO Box 97	Chandler	TX	75758	To be Returned	Return Receipt - Electronic, Certified Mail	2021-04-19 8:41 AM
9314869904300081646030	2021-04-16 10:04 AM EOG Y Resources, Inc.	104 S. 4th Street	Artesia	NM	88210	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-22 11:57 AM
9314869904300081646023	2021-04-16 10:04 AM E. G. I. Resources, Inc.	PO Box 10886	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-23 7:41 PM
9314869904300081646016	2021-04-16 10:04 AM Devon Energy Production Company, LP	PO Box 843559	Dallas	TX	75284	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 8:43 AM
9314869904300081646009	2021-04-16 10:04 AM Concho Oil and Gas, LLC	600 W. Illinois Ave	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 8:43 AM
9314869904300081645996	2021-04-16 10:04 AM COG Operating LLC	600 W. Illinois Ave	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 8:43 AM
9314869904300081645989	2021-04-16 10:04 AM Clarence L. North Jr.	5928 E INGRAM ST	MESA	AZ	85205	Undelivered - Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300081645972	2021-04-16 10:04 AM Canyon Draw Resources, LLC	1989 Bryan St, Suite 900	Dallas	TX	75201	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-21 10:01 AM
9314869904300081645965	2021-04-16 10:04 AM Bankers Life and Casualty Company	111 E. Wacker Dr., Suite 2100	Chicago	IL	60601	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-22 12:00 AM
9314869904300081645958	2021-04-16 10:04 AM Bankers Life and Casualty Company	222 Merchandise Mart Plaza	Chicago	IL	60654	Delivered	Return Receipt - Electronic, Certified Mail	2021-04-20 7:18 PM

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004695633

This is not an invoice

MODRALL SPERLING

POBOX 2168

ALBUQUERQUE, NM 87103

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

04/20/2021


Legal Clerk

Subscribed and sworn before me this April 20, 2021:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

CASE NO. 21837: Notice to all affected parties, as well as their heirs and devisees, of Marathon Oil Permian, LLC; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; RSC Resources, LP; Peregrine Production, LLC; Redfern Enterprises, Inc.; Flag "77" Ltd.; Ege Oil Company; Fairway Oil and Gas Company; E. G. L. Resources, Inc.; Devon Energy Production Company, LP; McCombs Energy, Ltd.; V-F Petroleum Inc; Bankers Life and Casualty Company; COG Operating LLC; Tascosa Energy Partners, LLC; EOG Y Resources, Inc.; Concho Oil and Gas, LLC; Canyon Draw Resources, LLC; Falconer Resources 1999 Limited Partnership; Hold the Door, LP; RSC Resources, LP; Peregrine Production LLC; Oxy USA WTP LP; Leo Momsen, Jr.; Gus Momsen, III; Margaret Momsen; Virginia M. Grady; Frances M. Cunningham; Clarence L. North Jr.; Will Holt and Wife, Vina Holt; Meredith Jones; Jonell Jones; Marathon Oil Company; and Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 6, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 201H and Camacho 25-26 State Com 301H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles southeast of Artesia, New Mexico.
#4695633, Current Argus, April 20, 2021

Ad # 0004695633

PO #:

of Affidavits 1

This is not an invoice

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004695642

This is not an invoice

MODRALL SPERLING

POBOX 2168

ALBUQUERQUE, NM 87103

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

04/20/2021



Legal Clerk

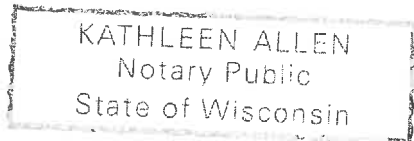
Subscribed and sworn before me this April 20, 2021:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires



CASE NO. 21838: Notice to all affected parties, as well as their heirs and devisees, of Marathon Oil Permian, LLC; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; RSC Resources, LP; Peregrine Production, LLC; Redfern Enterprises, Inc.; Flag "77" Ltd.; Ege Oil Company; Fairway Oil and Gas Company; E. G. L. Resources, Inc.; Devon Energy Production Company, LP; McCombs Energy, Ltd.; V-F Petroleum Inc; Bankers Life and Casualty Company; COG Operating LLC; Tascosa Energy Partners, LLC; EOG Y Resources, Inc.; Concho Oil and Gas, LLC; Canyon Draw Resources, LLC; Faulconer Resources 1999 Limited Partnership; Hold the Door, LP; RSC Resources, LP; Peregrine Production LLC; Oxy USA WTP LP; Leo Momsen, Jr.; Gus Momsen, III; Margaret Momsen; Virginia M. Grady; Frances M. Cunningham; Clarence L. North Jr.; Will Holt and Wife, Vina Holt; Meredith Jones; Jonell Jones; Marathon Oil Company; and Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 6, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 N/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 202H and Camacho 25-26 State Com 302H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles south-east of Artesia, New Mexico.

#4695642, Current Argus, April 20, 2021

Ad # 0004695642
PO #:
of Affidavits 1

This is not an invoice

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004695662

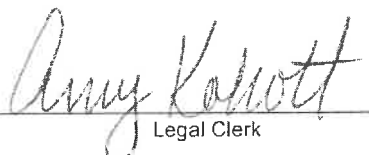
This is not an invoice

MODRALL SPERLING
POBOX 2168

ALBUQUERQUE, NM 87103 - 2168

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

04/20/2021

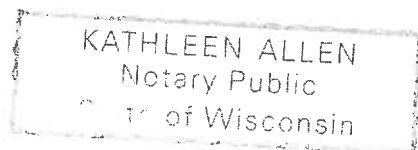

Legal Clerk

Subscribed and sworn before me this April 20, 2021:


State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires



Ad # 0004695662
PO #:
of Affidavits 1

This is not an invoice

CASE NO. 21839: Notice to all affected parties, as well as their heirs and devisees, of Marathon Oil Permian, LLC; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; RSC Resources, LP; Peregrine Production, LLC; Redfern Enterprises, Inc.; Flag "77" Ltd.; Ege Oil Company; Fairway Oil and Gas Company; E. G. L. Resources, Inc.; Devon Energy Production Company, LP; McCombs Energy, Ltd.; V-F Petroleum Inc; Bankers Life and Casualty Company; COG Operating LLC; Tascosa Energy Partners, LLC; EOG Y Resources, Inc.; Concho Oil and Gas, LLC; Canyon Draw Resources, LLC; Faulconer Resources 1999 Limited Partnership; Hold the Door, LP; RSC Resources, LP; Peregrine Production LLC; Oxy USA WTP LP; Leo Momsen, Jr.; Gus Momsen, III; Margaret Momsen; Virginia M. Grady; Frances M. Cunningham; Clarence L. North Jr.; Will Holt and Wife, Vina Holt; Meredith Jones; Jonell Jones; Marathon Oil Company; and Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 6, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the N/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 203H and Camacho 25-26 State Com 303H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles south-east of Artesia, New Mexico.
#4695662, Current Argus, April 20, 2021

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004695667

This is not an invoice

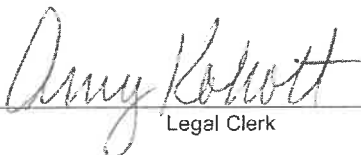
MODRALL SPERLING

POBOX 2168

ALBUQUERQUE, NM 87103

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

04/20/2021


Legal Clerk

Subscribed and sworn before me this April 20, 2021:


State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLE
Notary Public
State of Wisconsin

CASE NO. 21840: Notice to all affected parties, as well as their heirs and devisees, of Marathon Oil Permian, LLC; Fairway Oil and Gas Company; Fasken Land and Minerals, Ltd.; RSC Resources, LP; Peregrine Production, LLC; Redfern Enterprises, Inc.; Flag "77" Ltd.; Ege Oil Company; Fairway Oil and Gas Company; E. G. L. Resources, Inc.; Devon Energy Production Company, LP; McCombs Energy, Ltd.; V-F Petroleum Inc; Bankers Life and Casualty Company; COG Operating LLC; Tascosa Energy Partners, LLC; EOG Y Resources, Inc.; Concho Oil and Gas, LLC; Canyon Draw Resources, LLC; Faulconer Resources 1999 Limited Partnership; Hold the Door, LP; RSC Resources, LP; Peregrine Production LLC; Oxy USA WTP LP; Leo Momsen, Jr.; Gus Momsen, III; Margaret Momsen; Viginia M. Grady; Frances M. Cunningham; Clarence L. North Jr.; Will Holt and Wife, Vina Holt; Meredith Jones; Jonell Jones; Marathon Oil Company; and Yates Brothers Partnership of Apache Corporation's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 6, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring standard horizontal spacing unit underlying the S/2 S/2 of Sections 25 and 26, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard spacing unit will be dedicated to the Camacho 25-26 State Com 204H and Camacho 25-26 State Com 304H wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Apache as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16 miles south-east of Artesia, New Mexico.
#4695667, Current Argus, April 20, 2021

Ad # 0004695667
PO #:
of Affidavits 1

This is not an invoice

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

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 21837

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 21838

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 21839

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 21840

DECLARATION OF DREW CHENOWETH

Drew Chenoweth, being duly sworn, deposes and states:

1. I am over the age of 18, I am a geologist for Apache Corporation (“Apache”), and have personal knowledge of the matters stated herein.

2. I have not been previously qualified before the Oil Conservation Division (“Division”) as an expert in petroleum geology matters.

3. My area of responsibility at Apache includes the area of Eddy County in New Mexico.

4. I conducted a geological study of the area that encompasses the horizontal spacing units that are the subject of Apache’s applications in these cases and am familiar with the geological matters involved in these cases.



5. **Exhibit 8** is a Gunbarrel/Lateral Trajectory Diagram. This diagram identifies the Camacho 25-26 development plan, which includes the eight Camacho 25-26 State Com wells, consisting of four Second Bone Spring wells and four Third Bone Spring wells (*hereinafter* "Proposed Wells") that are located within the four Bone Spring horizontal spacing units that are the subject of these applications.

6. **Exhibit 9** is a Location Map identifying the Camacho 25-26 project area, in proximity to the Capitan Reef, and the cities of Artesia and Carlsbad.

7. The exhibits behind **Tab 10** are the geology study I prepared for the Second Bone Spring formation, which applies to the following wells: **Camacho 25-26 State Com 201H; Camacho 25-26 State Com 202H; Camacho 25-26 State Com 203H; and Camacho 25-26 State Com 204H.**

8. **Exhibit 10-A** is a Cross-Section Locator Map. This map identifies the cross-section running from A-A' with the cross-section well names and a blue line in proximity to the six Second Bone Spring Proposed Wells, which are identified by well name.

9. **Exhibit 10-B** is structure map of the top of the Third Bone Spring Lime. This map shows the four Second Bone Spring Proposed Wells. This map shows that the structure slightly dips to the southeast.

10. **Exhibit 10-C** is a Second Bone Spring Sand Gross Interval Isochore Map. This map also shows the four Second Bone Spring Proposed Wells. It shows that the gross thickness of the 2nd Bone Springs Sand ranges from 150' to 260' and thickens to the south in Camacho 26.

11. **Exhibit 10-D** is Stratigraphic Cross Sections hung on the top of the Third Bone Spring Lime formation. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand, Third Bone Spring Lime and Third Bone Spring Sand formations in

the area. The target zone for the Proposed Wells is the base of the Second Bone Spring formation and is identified by the yellow highlighted area outlined with a blue dashed line. That zone is consistent across the unit.

12. **Exhibit 10-E** is a detailed view of the Target Zone within Stratigraphic Cross Section hung on the top of the Third Bone Spring Lime. As stated, the target zone for the wells is the base of the Second Bone Spring formation and is identified by the yellow highlighted area outlined with a blue dashed line.

13. The exhibits behind **Tab 11** are the geology study I prepared for the Third Bone Spring formation, which applies to the following wells: **Camacho 25-26 State Com 301H; Camacho 25-26 State Com 302H; Camacho 25-26 State Com 303H; and Camacho 25-26 State Com 304H.**

14. **Exhibit 11-A** is a Cross-Section Locator Map. This map identifies the cross-section running from A-A' with the cross-section well names and a blue line in proximity to the six Third Bone Spring Proposed Wells, which are identified by well name.

15. **Exhibit 11-B** is structure map of the top of the Wolfcamp. This map shows the four Third Bone Spring Proposed Wells. This map shows that the structure slightly dips to the southwest.

16. **Exhibit 11-C** is a Third Bone Spring Sand Gross Interval Isochore Map. This map also shows the four Third Bone Spring Proposed Wells. It shows that the gross thickness of the Third Bone Springs Sand ranges from 350' to 450' and thickens to the south in Camacho 25 and 26.

17. **Exhibit 11-D** is Stratigraphic Cross Sections hung on the top of the Wolfcamp formation. The well logs on the cross-section give a representative sample of the Third Bone

Spring formation in the area. The target zone for the Proposed Wells is the Top of the Third Bone Spring formation and is identified in the green highlighted area outlined with a blue dashed line. That zone is consistent across the unit.

18. **Exhibit 11-E** is a detailed view of the Target Zone within Stratigraphic Cross Section hung on the top of the Wolfcamp Formation. As stated, the target zone for the wells is the Top of the Third Bone Spring formation and is identified in the green highlighted area outlined with a blue dashed line.

19. Based upon my study as illustrated in these exhibits, knowledge of the geology in this area, and education and training, it is my expert opinion that:

- a. The horizontal spacing units are justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter quarter section in the units will contribute more or less equally to production.


20. The preferred well orientation in this area is either is E-W. This is due to the fact that regional max horizontal stress orientation in this area is ranges from approximately N5W to N10E, as reported by Snee and Zoback (2018).

21. The producing interval for each of these wells will be orthodox and will comply with the Division's set back requirements.

22. **Exhibit 12** is my resume. I graduated from the University of Texas at El Paso in 2014, with a M.S. in Geology. I have worked as a geologist since I graduated. I have been employed by Apache since 2017. My responsibilities at Apache include the areas of Lea and Eddy Counties in New Mexico, including the Camacho planned development.

23. Exhibits 9-12 were prepared by me or under my supervision or compiled from company business records.

24. Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.



Drew Chenoweth

Dated: October 18, 2021

GUN BARREL INTERSECTION MAP: A - A'



Exhibit 8



GUN BARREL INTERSECTION LINE: A - A'

Exhibit 8



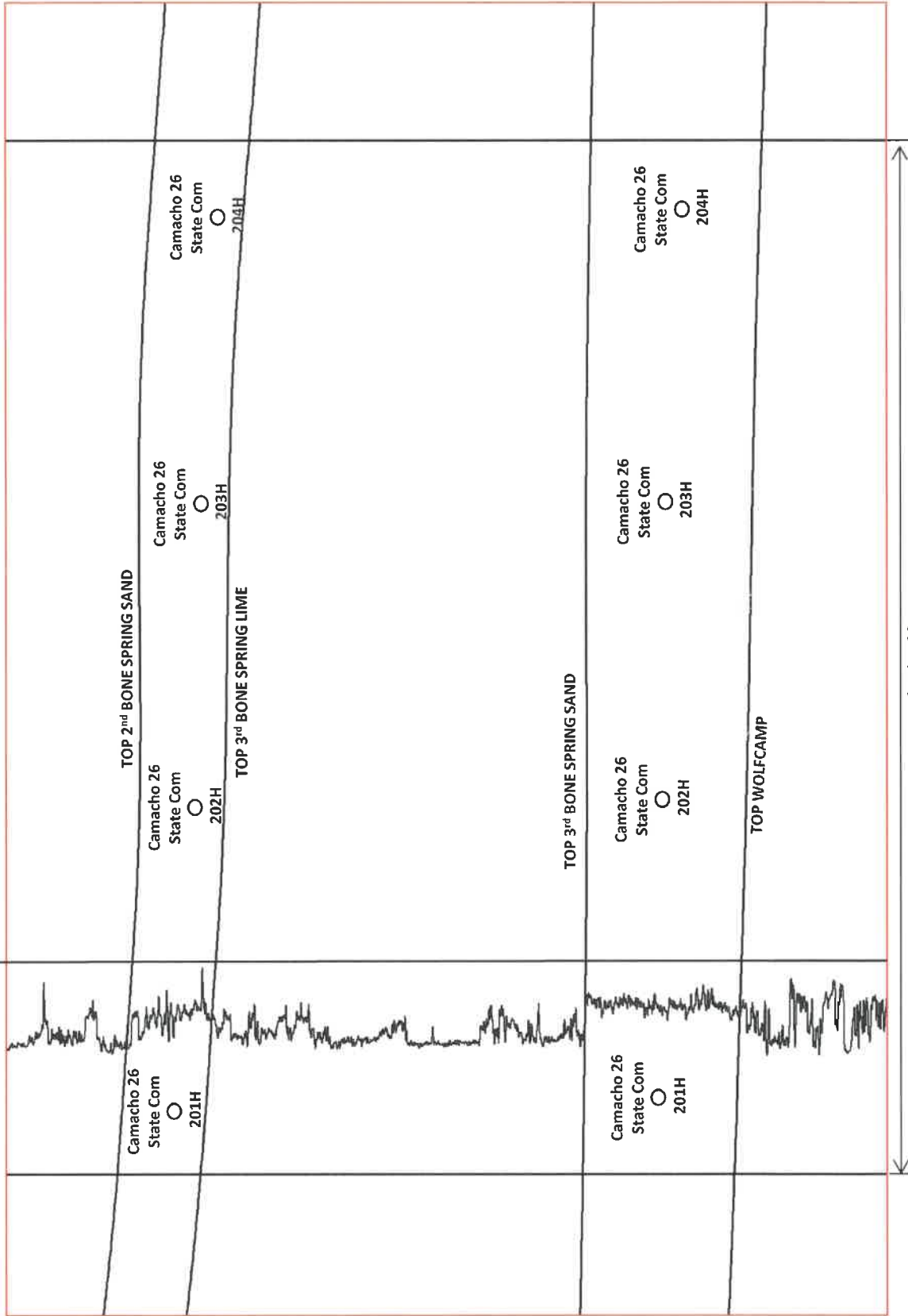
30015270490000
Angel Ranch '26' State 1



GR
0 50 100 150

A

A'



Section 26
1 Mile



CAMACHO 25-26 LOCATION MAP

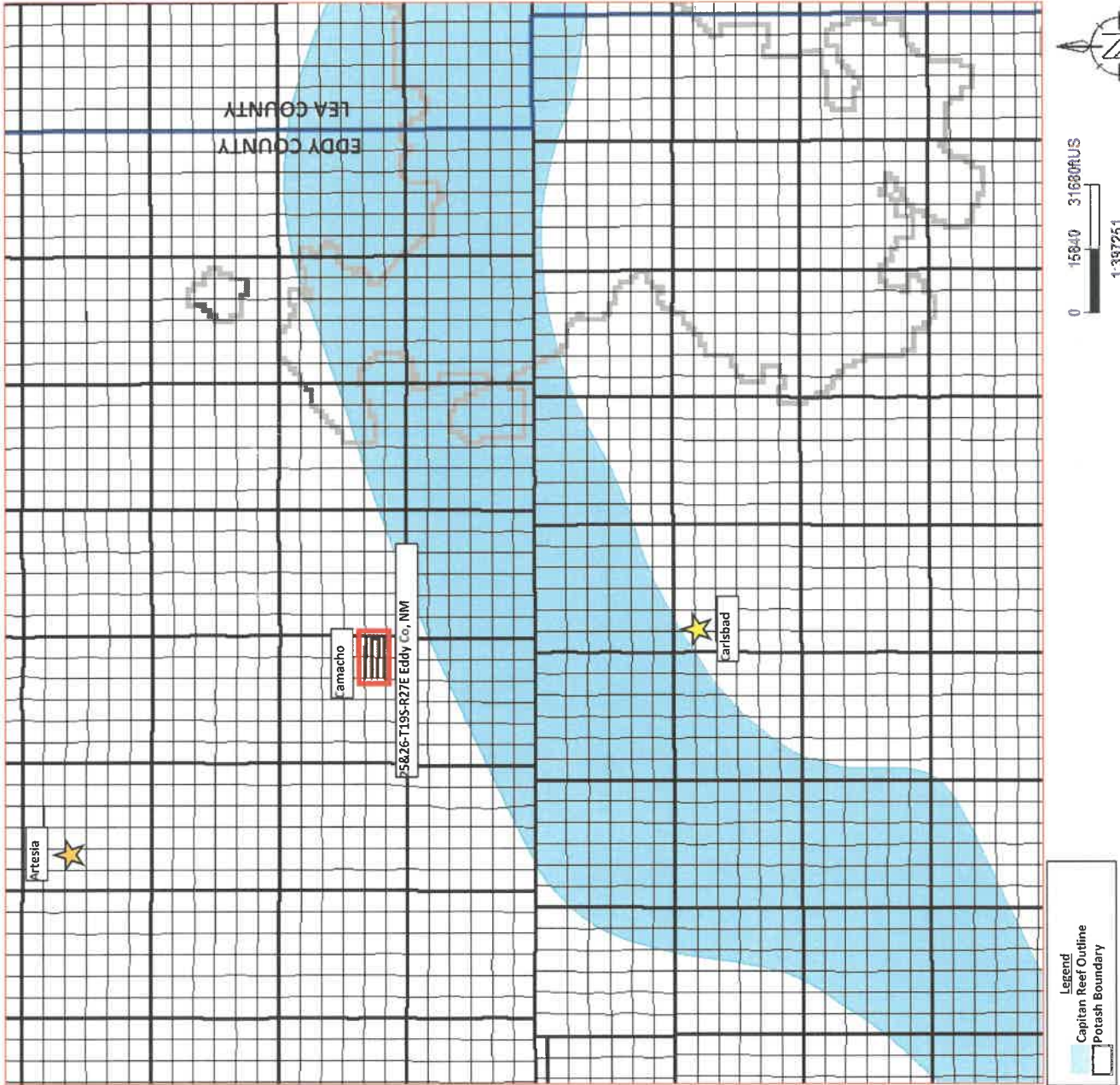


Exhibit 9



CROSS SECTION MAP: A - A'



Exhibit 10A



TOP 3RD BONE SPRING LIME STRUCTURE (SSTVD)

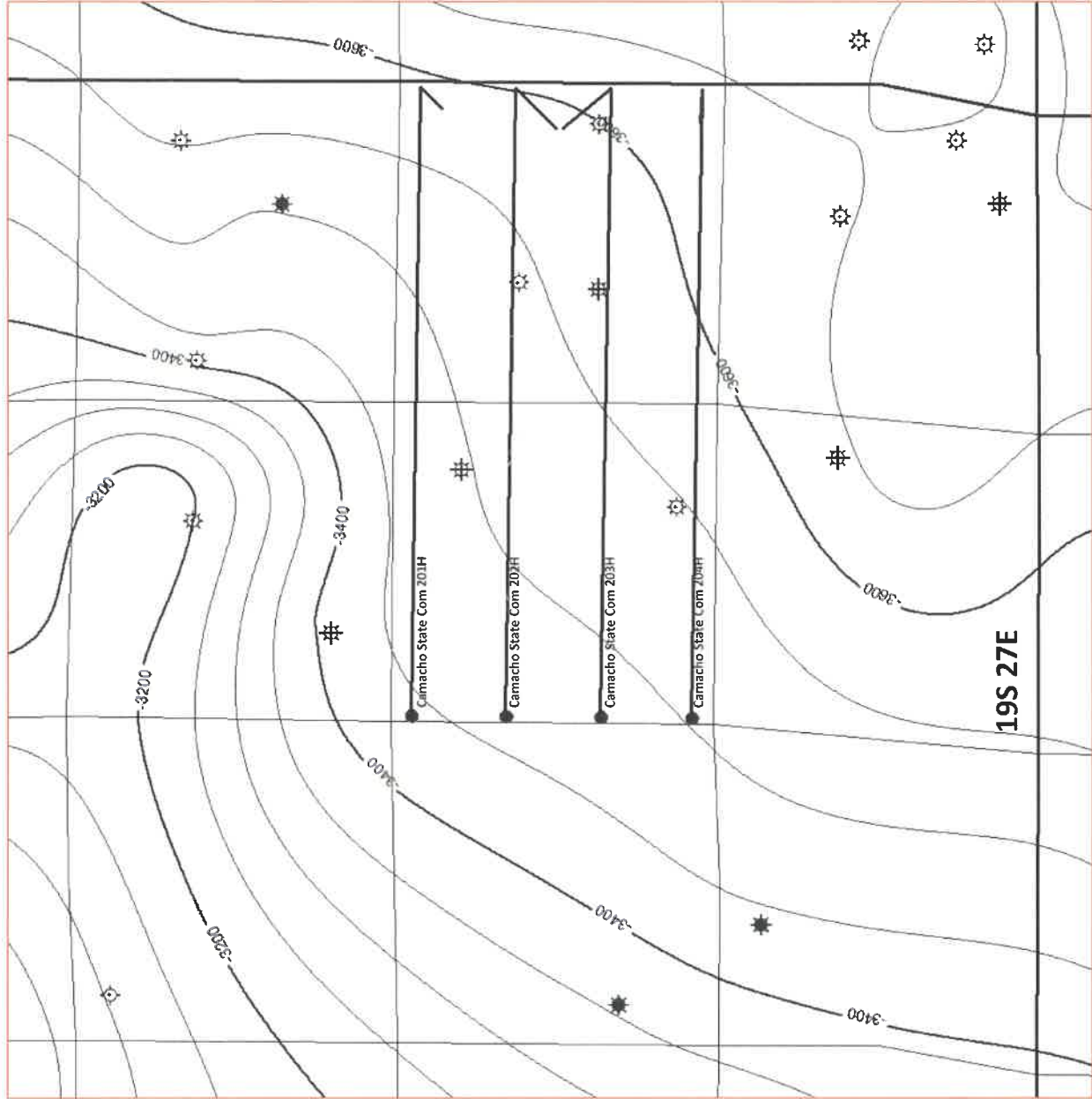


Exhibit 10B



2nd BONE SPRING SAND GROSS INTERVAL ISOCHORE (FT)

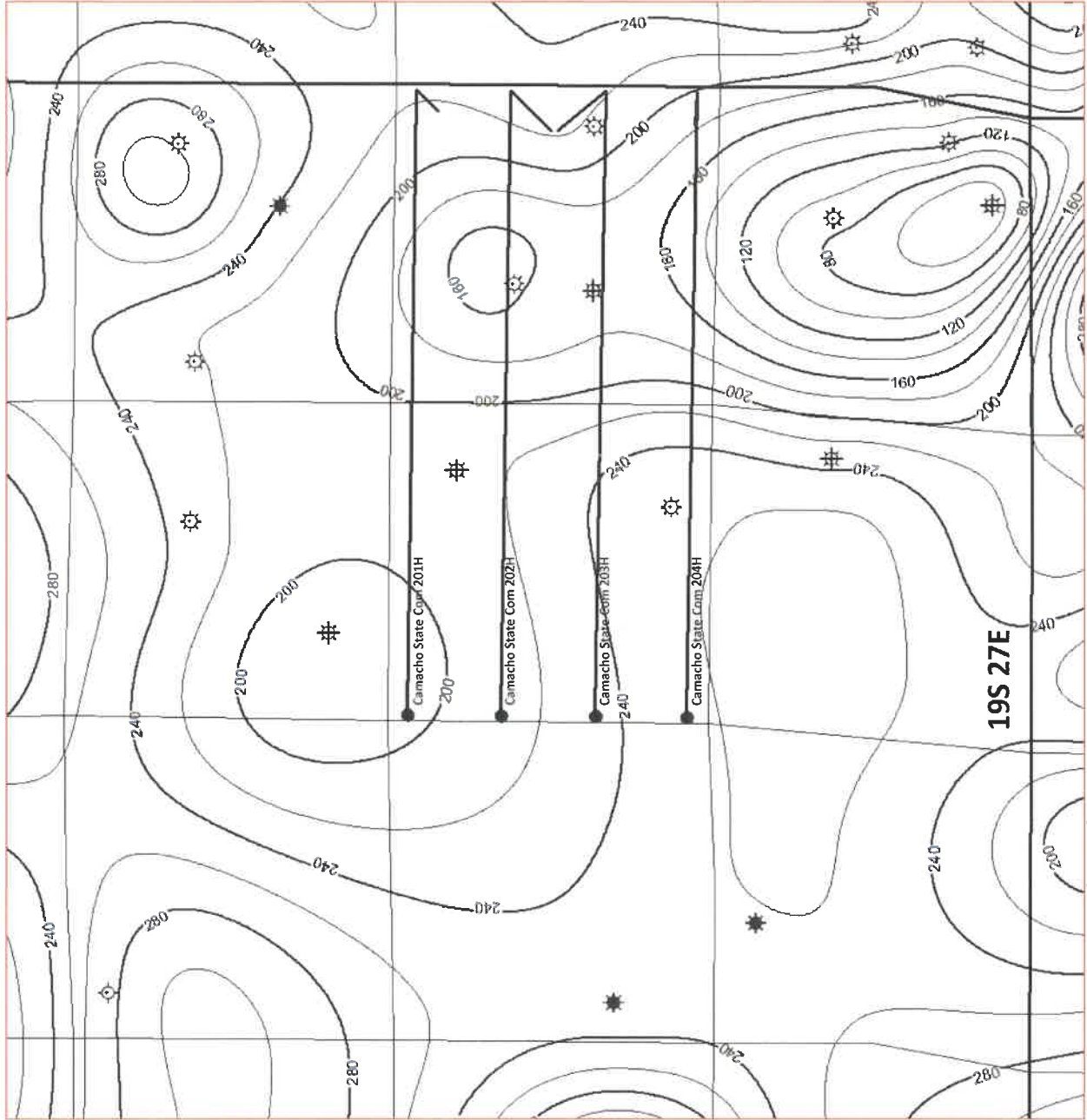
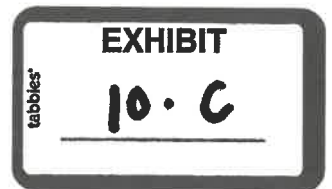
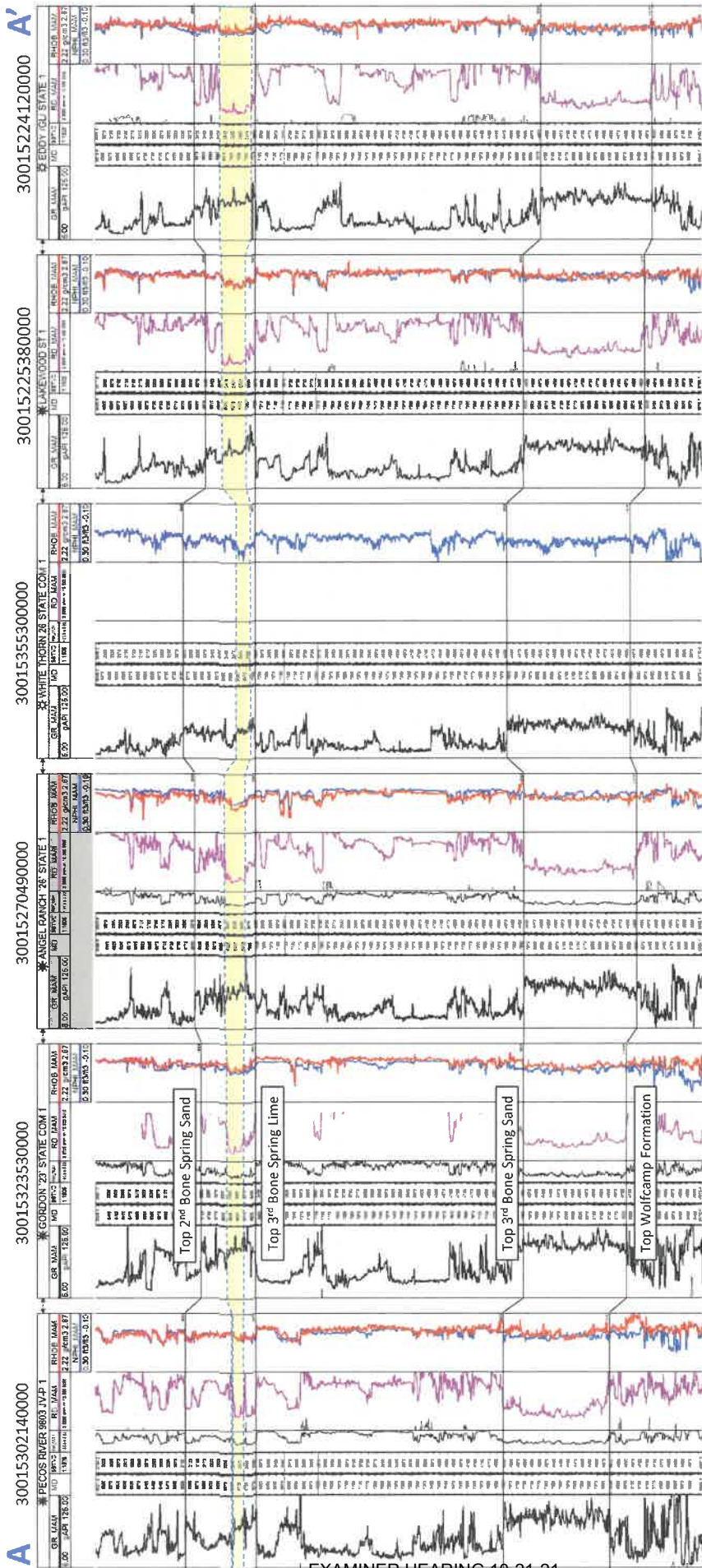


Exhibit 10C



STRATIGRAPHIC CROSS-SECTION: A - A'

Exhibit 10D



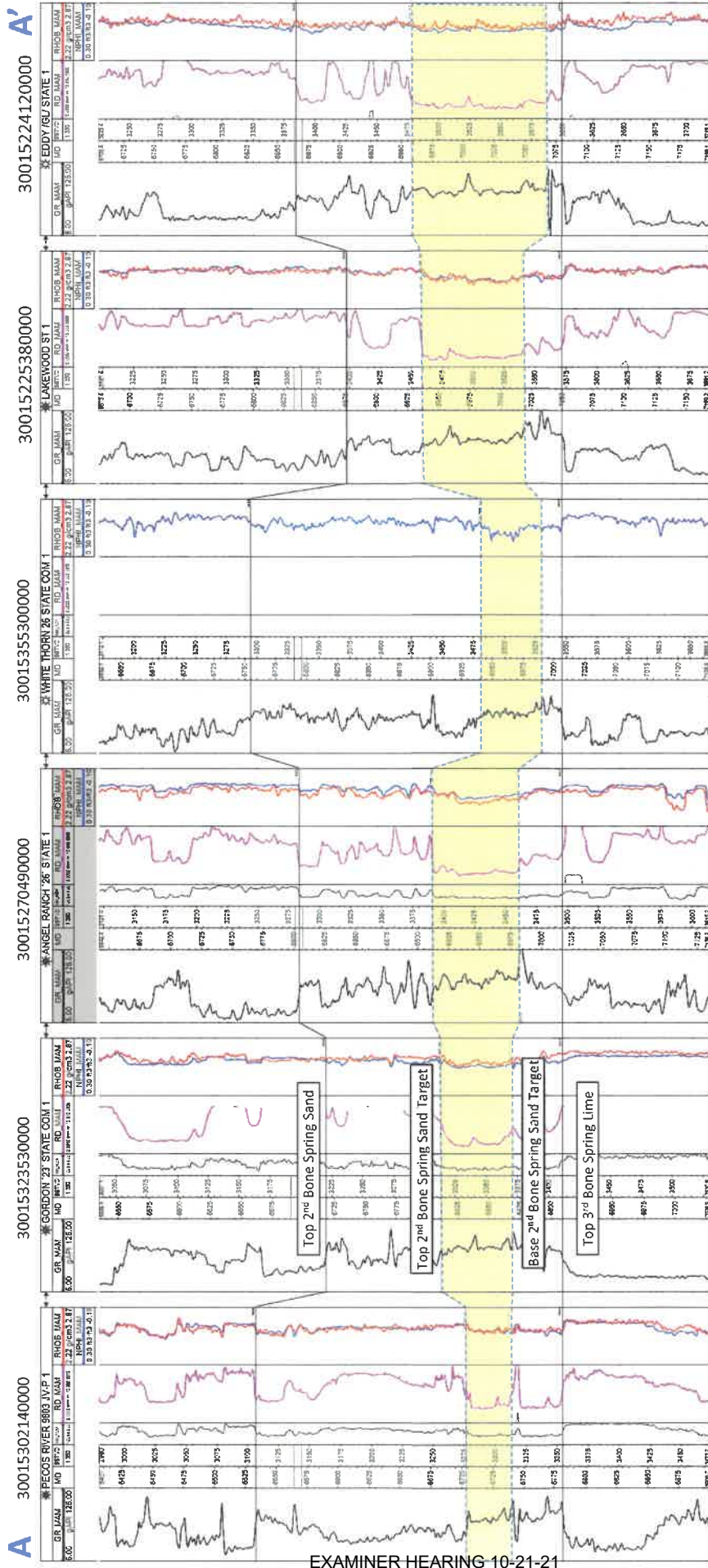
DATUM = TOP 3RD BONE SPRING LIME 2ND Bone Spring Target

EXAMINER HEARING 10-21-21



STRATIGRAPHIC CROSS-SECTION: A - A'

Exhibit 10E



DATUM = TOP 3RD BONE SPRING LIME
2ND BONE SPRING SAND TARGET HIGHLIGHTED



CROSS SECTION MAP: A - A'

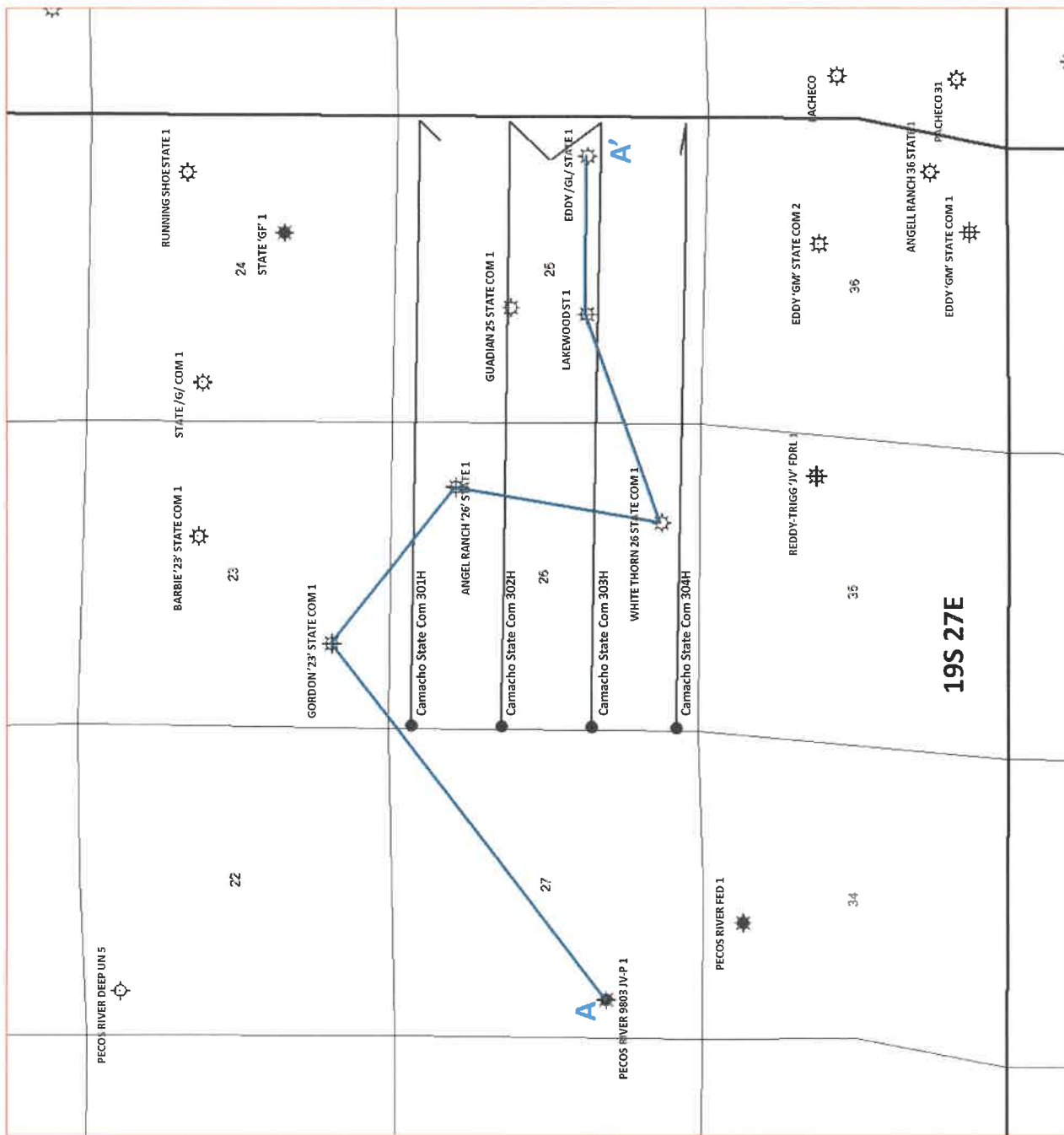


Exhibit 11A



TOP WOLFECAMP STRUCTURE (SSTVD)

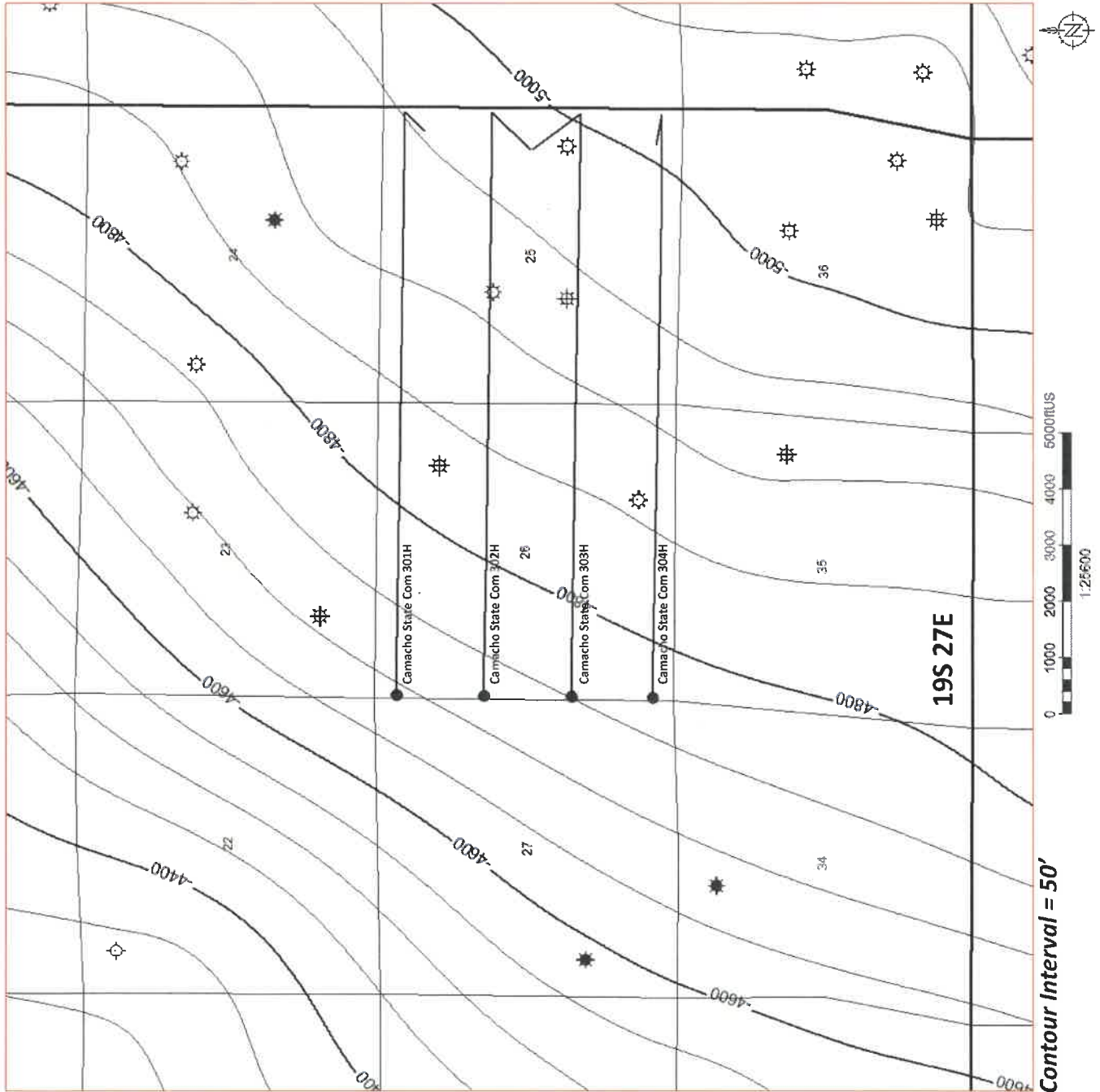


Exhibit 11B



3rd BONE SPRING SAND GROSS INTERVAL ISOCHORE (FT)

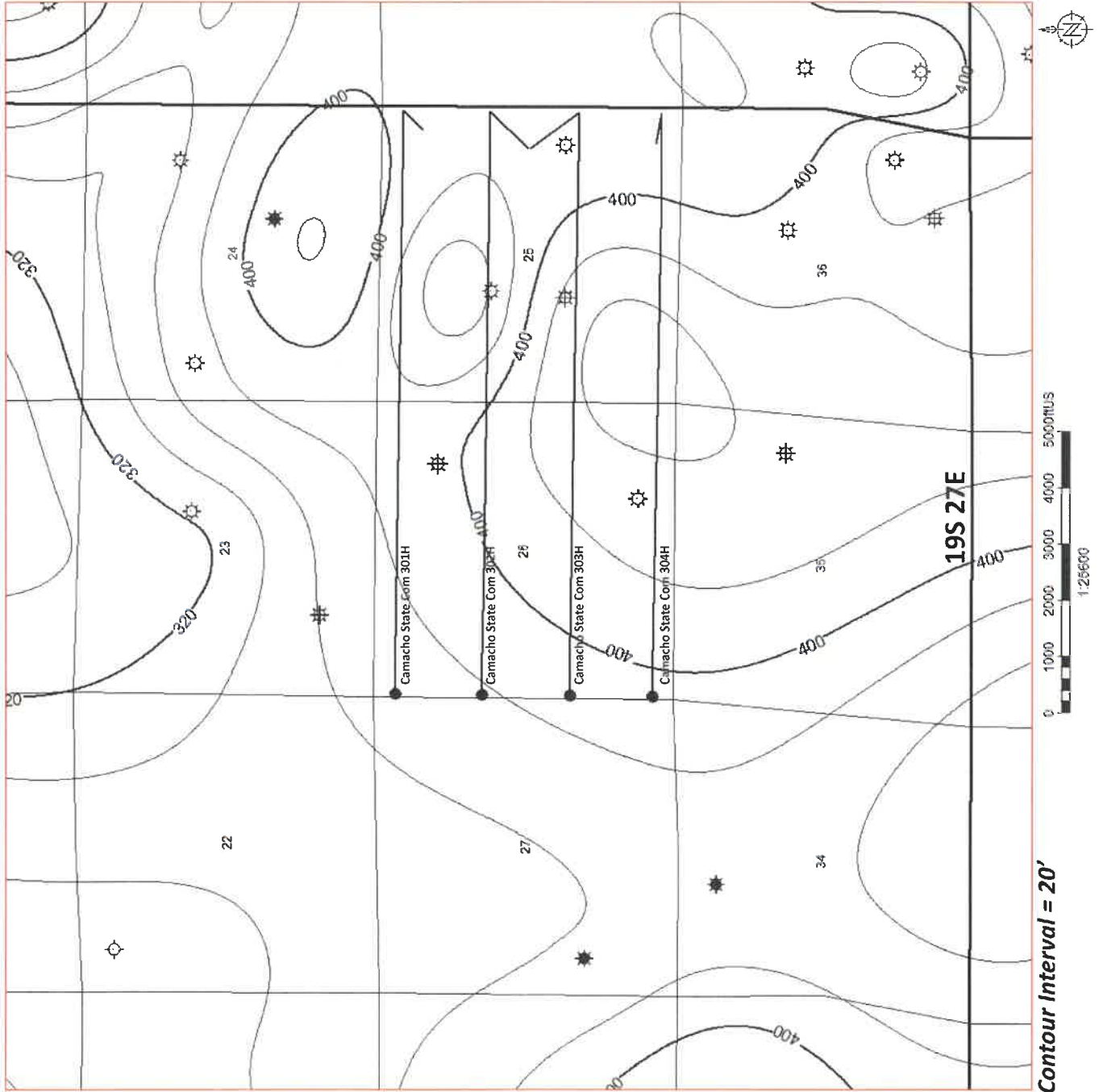
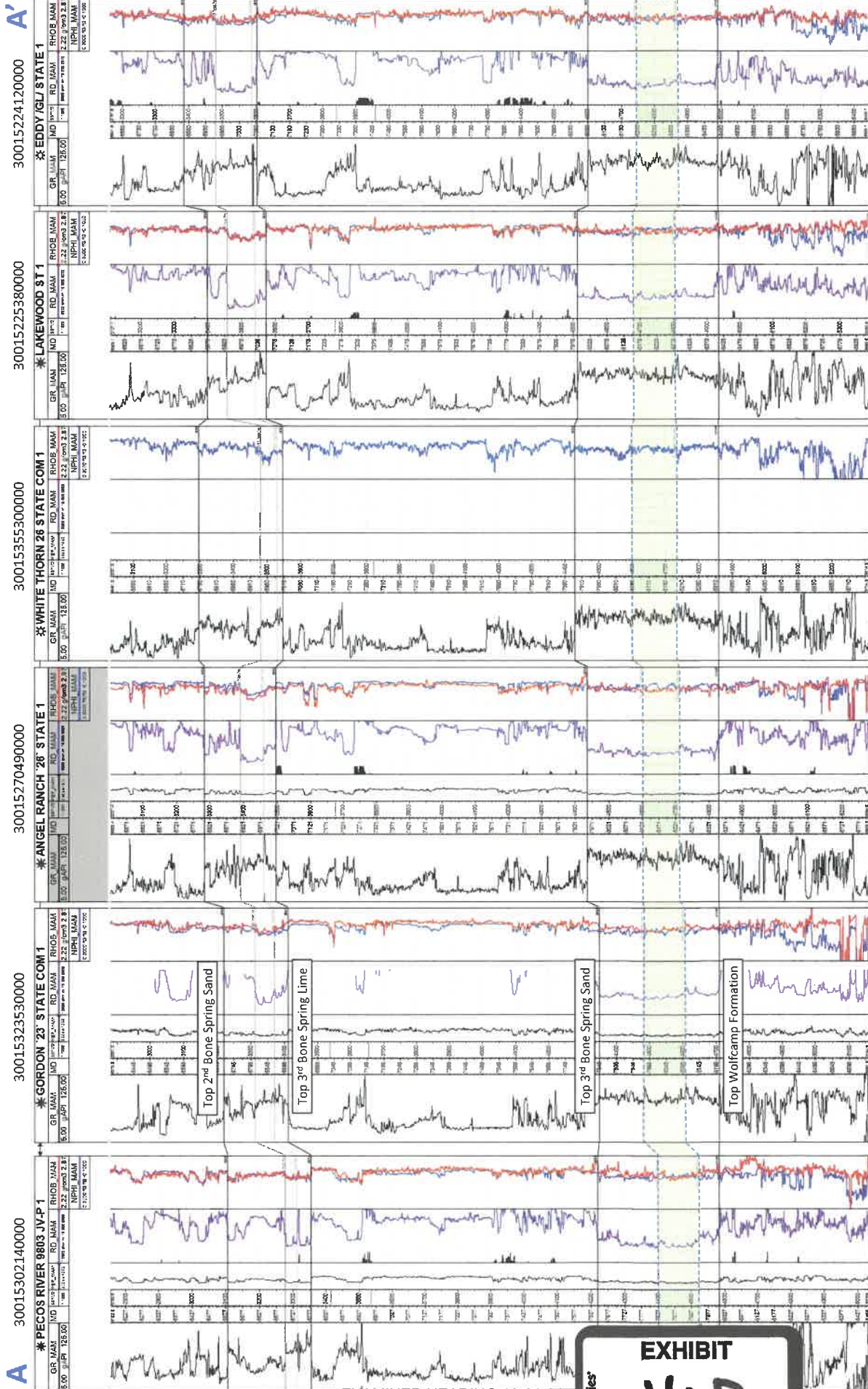


Exhibit 11C



STRATIGRAPHIC CROSS-SECTION: A - A'

Exhibit 11D



EXAMINER HEARING 10-21-21

PAGE 122

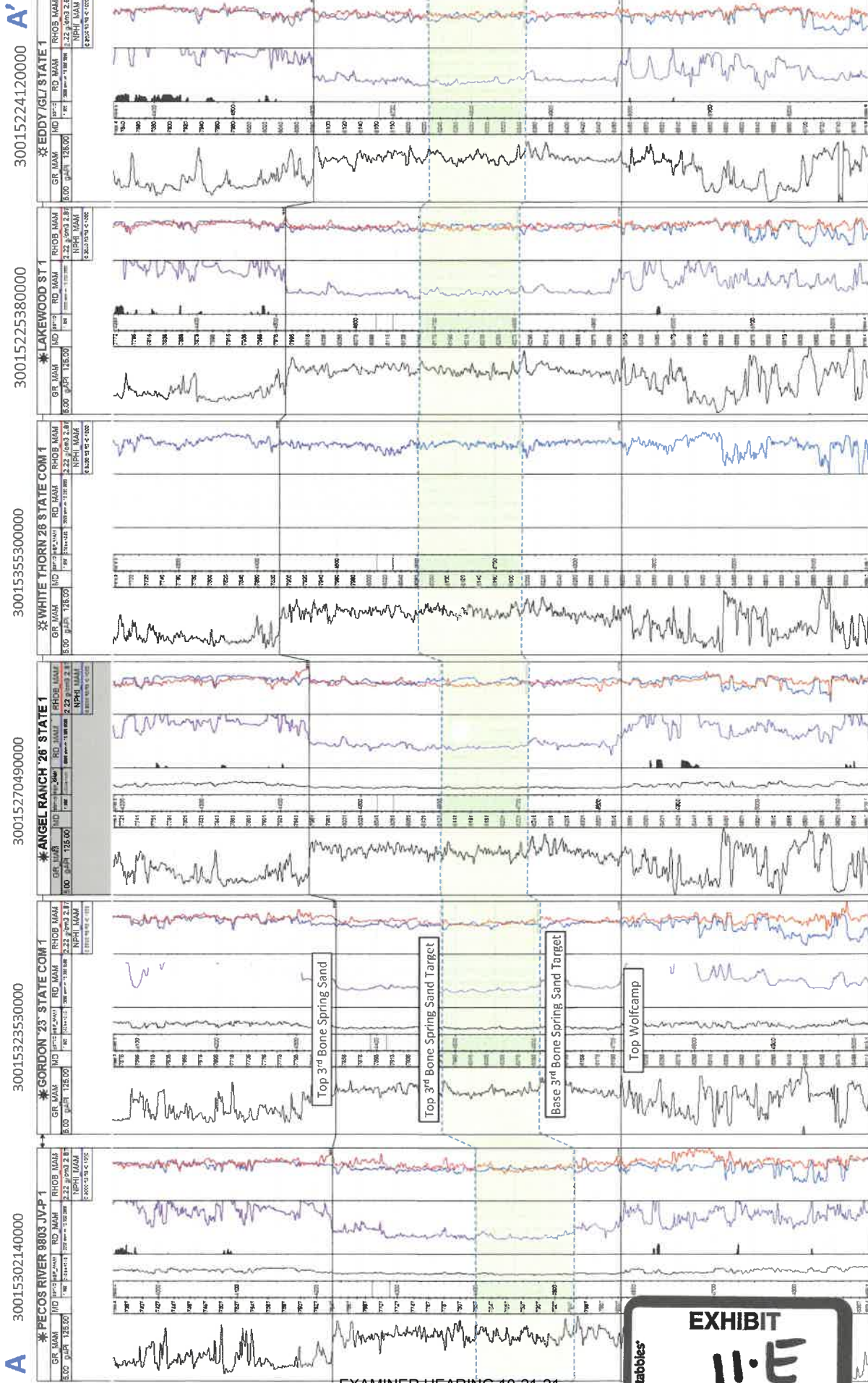
tabbies®

EXHIBIT

11-D

STRATIGRAPHIC CROSS-SECTION: A - A'

Exhibit 11E



DATUM = TOP WOLF CAMP
3RD BONE SPRING SAND TARGET HIGHLIGHTED



Drew Chenoweth

Houston, TX
(906) 630-0095

drew.a.chenoweth@gmail.com
linkedin.com/in/drew-chenoweth

Apache Corporation – Delaware Basin Geologist

2017-Present

Delaware Basin North West Shelf/North West Slope – Eddy/Lea County NM (one year)

- Created detailed target maps of North West Shelf acreage. Finalized development plan reviewing regional geology
- Analysed of all non-operated well proposals with engineering team, executing on high NPV agreements
- Detailed geologic mapping of slope stratigraphy. Responsible for planning Palmillo & Camacho wells and monitoring while drilling

NAUR Exploitation Geologist I (one year); NAUR Resource Development Geologist II: Alpine High (two years)

- Responsible for picking well locations/targets, fulfilling CDCs of assigned acreage, geoprognosis creation, leading prespud, geohazard detection/avoidance, casing point depth and monitoring while drilling of 71 wells.
- Monitored 4-5 rig lines at once for several months; Monitored up to seven rigs at once.
- Collaborated with drilling to successfully eliminate liners on 14 wells saving ~\$7MM in equipment costs.
- Responsible for accurate inventory counts of 143k acres.
- Worked with land to successfully create a large pooled lease between three units allowing longer, higher NPV laterals. Pooled unit satisfied CDC with 1/3 of original wells saving \$34MM per year in CDC well costs.
- Collaborated with land, facilities and production teams to create long term development for assigned acreage.
- Designed Alpine High strategy with supervisor and presented to CEO and upper management.

Impac Exploration Services

2016-2017

Wellsite Geologist/Earth Scientist I: Midland and Delaware Basins

- Mudlogged Permian Basin wells while excelling at all aspects of Wellsite Geology and working 12-24 hour shifts.
- Performed various Geochemical analyses in Geoscience lab: XRD, XRF, Pyrolysis, Capillary Suction Time.

Chevron

2014-2016

Operations/Asset Development Geologist: McElroy and Mid-Concho Fields

- Prospected for and identified over 50 workovers that yielded above average results.
- Coordinated with team engineers and manager to review workover candidates within two-day deadline.
- Developed new step-out well locations based on a paleo-channel resolved with seismic amplitude maps.
- Analyzed well logs to improve waterflood sweep and discover bypassed oil opportunities.
- Recalculated and upgraded oil volumetrics in both fields using Petra. Strengthened interpretations using wireline, seismic, production data, scout tickets, hand-drawn maps and core analysis.
- Conceptualized new workover method using rig-less acid jobs, saving hundreds of thousands per year.

Education/Internships

University of Texas at El Paso: M.S. Geology

2014

Thesis: Depositional Environment, Sequence Stratigraphy and Reservoir Properties of the Bliss Fm., El Paso, Texas

Scholarships and Achievements: Conoco Phillips Academic Excellence Scholarship UTEP's Vernon G. and Joy Hunt Endowed Scholarship Fund in Geology, Captain of the 2011 UTEP IBA Team; Led team to nationals in Houston.

Conoco Phillips: Intern Geologist: Eagleford Shale

2012

Whiting Petroleum: Intern Geologist: North Ward Estes Field

2011

Lake Superior State University: B.S. Geology, B.A. French

2010

Scholarships and Achievements: Michigan Academic Excellence/Michigan Merit Award Scholarship, L.S.S.U. Geology Program's Academic Excellence Scholarship, L.S.S.U. French Program's Scholarship for Academic Excellence, and the Diplôme de Français des Affaires 1er degree from the Paris Chamber of Commerce.

Software

Significant Experience: Petrel, Decision Space, Transform, Petra, Kingdom, WellView, Rigsense, Totco, Pason, Adobe Illustrator, MLogger, TLog, Mainlog

Moderate Experience: Spotfire, ArcGIS, Dynamic Surveillance Systems

