

Order Number
486

API Number
30-025-40317

Operator
Apache Corporation

County
Lea

Order Date
12-19-2011

Well Name
Elliott Federal 7

Number
3

M
UL

7
Sec

Location
215
T (+Dir)

38E
R (+Dir)

Pool 1

6660

Blinebry O+G

Oil %
57%

Gas %
78%

Pool 2

100240

Tubb O+G

2%

3%

Pool 3

62700

Wantz Abo

41%

19%

Pool 4

Comments:

Posted in RBDMS 12-23-2011 CBA

30-025-40317
DHC-HOB-486

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Apache Corporation

PROPERTY NAME: Elliott Federal 7

WNULSTR: #3 - 7-215-38E

SECTION I:	ALLOWABLE AMOUNT	
POOL NO. 1 <u>Blinebry Oil + Gas</u>	<u>107</u>	<u>428</u> MCF
POOL NO. 2 <u>Tubb Oil + Gas</u>	<u>142</u>	<u>284</u> MCF
POOL NO. 3 <u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF
POOL NO. 4 _____		MCF
POOL TOTALS	<u>436</u>	<u>1834</u>

SECTION II:	<u>Oil</u>	<u>Gas</u>
POOL NO. 1 <u>Blinebry Oil + Gas</u>	<u>57%</u>	<u>78</u>
POOL NO. 2 <u>Tubb Oil + Gas</u>	<u>2%</u>	<u>3%</u>
POOL NO. 3 <u>Wantz Abo</u>	<u>41% x 436 = 178.76</u>	<u>19%</u>
POOL NO. 4 _____	<u><179></u>	

<u>OIL</u>	<u>GAS</u>
SECTION III: <u>41% ÷ 187 = 456.09</u>	_____

SECTION IV: <u>57% x 456 = 259.92</u>	<u><260></u>
<u>2% x 456 = 9.12</u>	<u><9></u>
<u>41% x 456 = 186.96</u>	<u><187></u>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

DEC 19 2011

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

RECEIVED

5. Lease Serial No.
NMLC 0056011B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Apache Corporation

7. If Unit of CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Elliott Federal 7 #003 (38884)

9. API Well No.
30-025-40317

3a. Address
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

3b. Phone No. (include area code)
432/818-1062

10. Field and Pool or Exploratory Area
BliO&G(O)6660/TubbO&G(O)60240/Wantz;Abo62700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 660' FWL Unit Ltr M Sec 7 T21S R38E

11. Country or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other DHC
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Per R-11363

Apache requests permission to complete and DHC the Blinebry-Tubb-Abo, per the following:

Pool Names: Blinebry Oil & Gas	6660	Perforations: Blinebry	5967'-6454'
Tubb Oil & Gas	60240	Tubb	6580'-6755'
Wantz; Abo	62700	Abo	7322'-7394'

The allocation method will be as follows based on offset production (See attached application for exception to Rule 303-C).

	OIL	GAS	Water
Blinebry	57%	78%	32%
Tubb	2%	3%	18%
Abo	41%	19%	50%

Downhole commingling will not reduce the value of these pools. Ownership is the same for each of these pools.

DHC- HOB - 486

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Reesa Holland

Title Sr Staff Engr Tech

Signature

Reesa Holland

Date 12/16/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

DEC 19 2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

JAN 03 2011

Lease Name	Well Number	10DIGITAP	Location	Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
				Blnebr	Tubbs	Abc	Blnebr	Tubbs	Abc	Blnebr	Tubbs	Abc
DRINKARD UNIT	3	3002506325	1 21S 37E	124662			452474			10849		
DRINKARD UNIT	5	3002506326	1F 21S 37E	78584			232414			11337		
DRINKARD UNIT	4	3002506327	1O 21S 37E	94156			267470			7800		
DRINKARD UNIT	1	3002506328	1L 21S 37E SW NW SW	86779			250039			14040		
DRINKARD UNIT	2	3002506330	1 21S 37E	82933			254410			9472		
HUMBLE FEDERAL	1	3002506331	1 21S 37E	29082			102148			28844		
DRINKARD UNIT	7	3002506332	1L 21S 37E	151388		64191	249074		151328	13905		20788
ELLIOTT FEDERAL	2	3002506333	1 21S 37E	140157			355855			10290		
DRINKARD UNIT	5	3002506334	1M 21S 37E	195217		15082	884976		184492	4384		5420
DRINKARD UNIT	8	3002506335	1N 21S 37E	154699			848926			17988		
DRINKARD UNIT	10	3002506336	1J 21S 37E	140078			519199			17369		
DRINKARD UNIT	11	3002506337	1 21S 37E	29035			98410			21031		
DAURON	1	3002506338	1E 21S 37E	61763			338152					
DRINKARD UNIT	28	3002506338	12D 21S 37E	57579			388643			7812		
DRINKARD UNIT	30	3002506339	12E 21S 37E	19149			151770			3515		
DRINKARD UNIT	31	3002506341	12C 21S 37E	149383			656081			7613		
DRINKARD UNIT	32	3002506342	12D 21S 37E	125199			260813			3116		
DRINKARD UNIT	33	3002506343	12F 21S 37E	139466			550995			3109		
DRINKARD UNIT	34	3002506344	12G 21S 37E	59337			231505			11251		
DRINKARD UNIT	35	3002506345	12B 21S 37E	84354			413958			14577		
DRINKARD UNIT	36	3002506346	12E 21S 37E	76046			267087			5357		
LOCKHART B 12	2	3002506347	12D 21S 37E			216						523
DRINKARD UNIT	3	3002506348	12C 21S 37E			127012			577418			15111
CHESHER	1	3002506349	12K 21S 37E NE SW	78280		43408	227036		53495	820		15179
DRINKARD UNIT	48	3002506350	12M 21S 37E	132856			848747			15307		
DRINKARD UNIT	47	3002506351	12J 21S 37E	98064			303686			14960		
DRINKARD UNIT	46	3002506352	12L 21S 37E	166214			949138			21967		
FIELDS	1	3002506353	12Q 21S 37E	47463			101724			12286		
PLUMLEE	1	3002506354	12N 21S 37E	66745		61880	175622		104468	514		19392
LOCKHART B 13 A	1	3002506355	13M 21S 37E	85536		44138	2092334		92115	6261		9417
DRINKARD UNIT	37	3002506356	13E 21S 37E	103580			3025657			14152		
DRINKARD UNIT	38	3002506357	13F 21S 37E	135002			1048206			12352		
LOCKHART B 13 A	4	3002506358	13K 21S 37E	88372			513291			4853		
LOCKHART B 13 A	5	3002506359	13N 21S 37E	115906			674137			15604		
DRINKARD UNIT	39	3002506360	13G 21S 37E	44891			149588			16750		
DRINKARD UNIT	40	3002506361	13J 21S 37E	41306			124484			16797		
DRINKARD UNIT	8	3002506362	13L 21S 37E	79385			3183803			11897		
GULF BUNIN	1	3002506363	13D 21S 37E			73820			199812			6427
BUNIN ESTATE	1	3002506364	13A 21S 37E			2499						
BUNIN	3Y	3002506365	13A 21S 37E			2938			2994			7133
DRINKARD UNIT	53	3002506366	13C 21S 37E	164462			1045288			2798		
DRINKARD UNIT	54	3002506367	13B 21S 37E	112252			475667			590		
DRINKARD UNIT	55	3002506368	13D 21S 37E	180756			1104870			4132		
E M ELLIOTT	1	3002507049	8F 21S 38E			8274						
E M ELLIOTT	6	3002507890	8G 21S 38E			130552			179829			13592
PARCELL FEDERAL	4	3002507894	8J 21S 38E			315355			549320			42599
BUNIN	2	3002507903	18E 21S 38E			38534			67709			21821
BUNIN	1	3002522796	18D 21S 38E			11668			19156			13591
AUDREY	1	3002522826	5P 21S 38E			1474			2072			10811
ELLIOTT FIELDS	1	3002522827	6M 21S 38E	6359		64793	31716		92350	9088		94870
BUNIN	5	3002522949	18F 21S 38E			70400			106429			27122
ELLIOTT FIELDS	3	3002522986	6N 21S 38E			40216			92092			50296
MARK W OWENS	1	3002523016	18N 21S 38E			13622			29002			12864
TERRY FEDERAL	1	3002523295	18G 21S 38E			1835			660			2209
ANNA FEDERAL	1	3002523355	1 21S 37E	1437		86393	1149		146714	52		14627
ELLIOTT FEDERAL	1	3002527014	8H 21S 38E			35211			146646			48174
FEDERAL 7	1	3002527058	7D 21S 38E	20802			22273			59040		
DRINKARD UNIT	42	3002528011	13N 21S 37E		9417	33942		77120	72653	11257		24461
DRINKARD UNIT	57	3002529061	1K 21S 37E SW NE SW			33923			17760			11752
WANTZ FEDERAL	1	3002529372	1J 21S 37E			105426			157397			9856
WANTZ FEDERAL	2	3002529597	1 21S 37E			112732			250098			23569
WANTZ FEDERAL	3	3002529688	1 21S 37E			1505			6261			6297
WANTZ FEDERAL	5	3002529715	1 21S 37E			147734			230957			17518
WANTZ FEDERAL	4	3002529728	1I 21S 37E NE SE			99951			139704			12557
DAURON	2	3002529792	1 21S 37E		1130	88214		2160	108409	2390		16955
MCNEIL	1	3002529924	6M 21S 38E			1532			582			560
DAURON	3	3002530005	1 21S 37E			104366			129749			20872
MCNEILL A	1	3002530194	6 21S 38E			63690			58167			21594
DAURON	4	3002530320	1 21S 37E	842	1416	21009	3965	6402	25698	3273	5787	25326
COOGAN FEDERAL	1	3002530338	1 21S 37E			52627			70645			11779
COOGAN FEDERAL	2	3002530469	1 21S 37E NE SE SW	10402			52354			10953		
ELLIOTT FIELDS	2	3002530585	6L 21S 38E NW SW			24161			34059			30586
COOGAN FEDERAL	3	3002530640	1 21S 37E			100622			138230			20841
DAURON	5	3002530835	1 21S 37E	1846	585	91053	2139	788	108045	1461	463	13469
DRINKARD UNIT	9	3002534937	1N 21S 37E NE SE SW	6380			38703			6292		
BUNIN	6	3002539547	13A 21S 37E NE NE	14296		3360	33310		4885	43747		5642
M W COLL	1	3002539823	12P 21S 37E SE SE	4492	1192		5873	7552		22352	14221	
M W COLL	2	3002540013	12I 21S 37E	8025	2134		8131	10349				
TOTALS				3,894,997	15,874	2,339,358	24,017,290	104,371	4,351,400	551,957	34,118	725,600
AVERAGES				81,146	2,646	58,484	500,360	17,395	117,605	11,999	6,824	19,095

				Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
Lease Name	Well Number	10DIGITAP	Location	Blinebry	Tubb	Abo	Blinebry	Tubb	Abo	Blinebry	Tubb	Abo

Proposed Allocations	Oil	Gas	Water
Blinebry	57%	78%	32%
Tubb	2%	3%	18%
Abo	41%	19%	50%
TOTAL	100%	100%	100%

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBS OCD

DEC 19 2011

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40317	Pool Code 6660	Pool Name Blinebry Oil and Gas (oil)
Property Code 78884	Property Name ELLIOT FEDERAL	Well Number 3
GRID No. 873	Operator Name APACHE CORPORATION	Elevation 3499'

Surface Location

UL or lot No. M	Section 7	Township 21-S	Range 38-E	Lot Ida	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
---------------------------	---------------------	-------------------------	----------------------	---------	-----------------------------	----------------------------------	-----------------------------	-------------------------------	----------------------

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

3501.5' 3507.5' 600' 660' 3489.4' 3501.4'	GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=543403.3 N X=878604.0 E LAT.=32.487936° N LONG.=103.105502° W LAT.=32°29'17" N LONG.=103°06'20" W	OPERATOR CERTIFICATION I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <u>Sorina L. Flores</u> 5/11/11 Signature Date <u>Sorina L. Flores</u> Printed Name 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. DECEMBER 23, 2010 Date Surveyed DSS Signature & Seal of Professional Surveyor <u>Ronald A. Eidson</u> 01/07/2011 10.11.1849 Certificate No. GARY G. EIDSON 12841 RONALD A. EIDSON 3239
---	--	---

DEC 19 2011

S/O

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40317	Pool Code 60240	Pool Name Tubb Oil & Gas (oil)
Property Code 38884	Property Name ELLIOT FEDERAL 7	Well Number 3
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3499'

Surface Location

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
M	7	21-S	38-E		660	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=543403.3 N X=878604.0 E LAT.=32.487936° N LONG.=103.105502° W LAT.=32°29'17" N LONG.=103°06'20" W	OPERATOR CERTIFICATION I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Sorina L. Flores</i> 5/11/11 Signature Date Sorina L. Flores Printed Name
	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. DECEMBER 23, 2010 Date Surveyed DSS Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 01/07/2011 NEW MEXICO 10.11.1849 Certificate No. GARY G. EIDSON 12841 RONALD J. EIDSON 3239

SW.

HOBBS OCD

DEC 19 2011

Form C-102

Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-40317	Pool Code 62700	Pool Name Wantz; ABO
Property Code 38884	Property Name ELLIOT FEDERAL 7	Well Number 3
GRID No. 873	Operator Name APACHE CORPORATION	Elevation 3499'

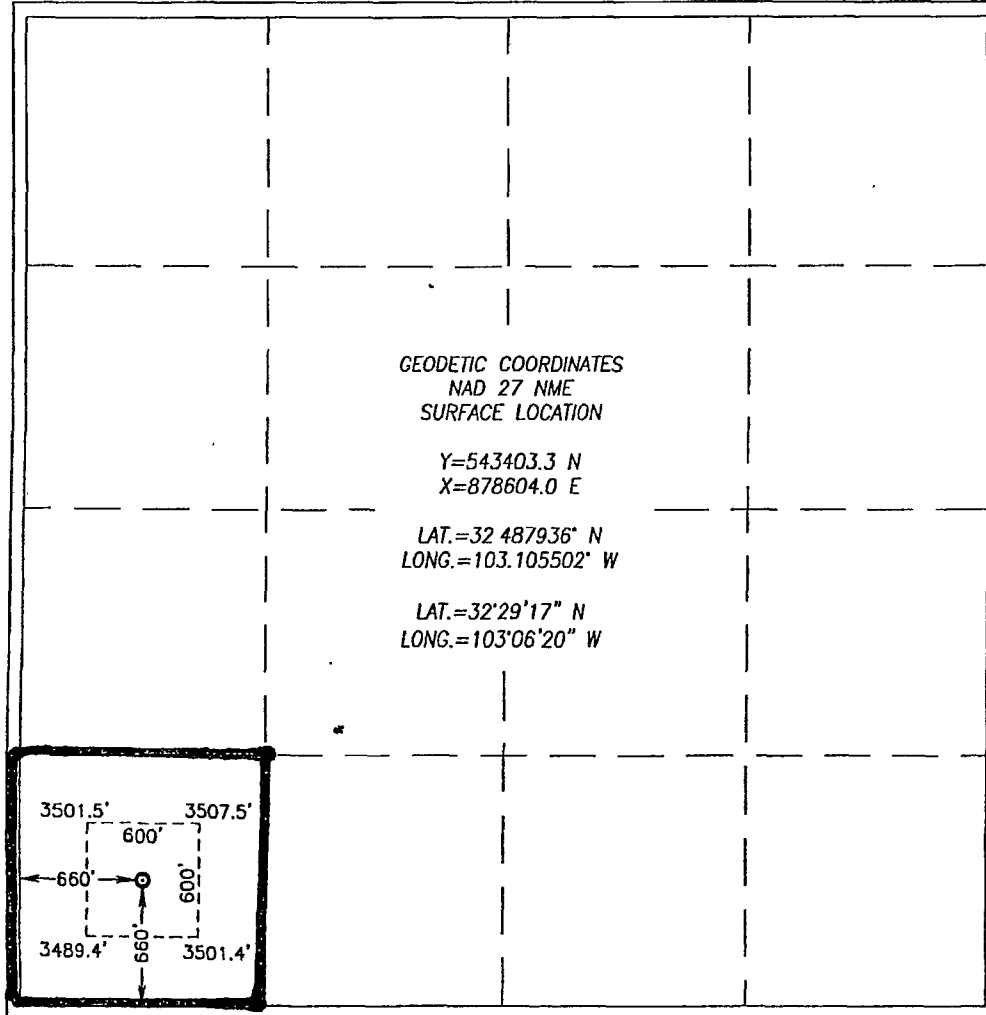
Surface Location

UL or lot No. M	Section 7	Township 21-S	Range 38-E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
---------------------------	---------------------	-------------------------	----------------------	---------	-----------------------------	----------------------------------	-----------------------------	-------------------------------	----------------------

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
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Sorina L. Flores</i> 5/26/11 Signature Date Sorina L. Flores Printed Name	
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. DECEMBER 23, 2010 Date Surveyed DSS Signature & Seal of Professional Surveyor <i>Ronald J. Eidson</i> 12/23/2011 Professional Surveyor Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239	