Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

May 15, 2012

Apache Corporation
Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6614
Administrative Application Reference No. pTWG12-11053010

Apache Corporation
OGRID 873
Washington 33 State Well No. 46
API No. 30-015-40023

Proposed Location:

Footages	Unit	Section	Township	Range	County
1080 FSL & 1650 FEL	O	33	17S	28E	Eddy

Proposed Unit:

Description	Acres	Pool	Pool Code
SW/4 SE/4 of Section 33	40	Artesia; Glorieta-Yeso	96830

Reference is made to your application received on April 19, 2012.

You have requested to drill or re-complete this well at an unorthodox oil well location described above, in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location to avoid interference with an existing pipeline.

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia
        New Mexico State Land Office