



June 2, 2005

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Proposed – State E Tract 27 No.1
Unit N, Sec 18 - T 21S - R 37E
Eunice, San Andres, North (Gas)
Lea County, New Mexico**

Apache Corporation is proposing to recomplete a well to saltwater disposal. To support this request we have enclosed the following:

1. OCD Form C-108 with attachments.
2. Map which includes all wells within one-half mile of the proposed disposal well. Map also includes everything two miles from the proposed well.
3. Injection Well Data Sheet for the proposed disposal well.
4. A Publishing Affidavit and copy of legal notice.
5. List of Surface Owners and Offset Operators with Certified Mail Receipt numbers indicated and copy of letter sent.
6. Tabulation of Data on wells located within the Area of Review.
7. Wellbore Diagrams of two P&A'd wells in the Area of Review.

2005 JUN 3 AM 10 14

Please do not hesitate of contact me at 918.491.5362 if you need additional information or have any questions regarding this application.

Regards,

APACHE CORPORATION

A handwritten signature in cursive script that reads "Elaine Linton".

**Elaine Linton
Engineering Technician**

Enclosures

cc: **Mr. Chris Williams
Oil Conservation Division
District 1
1625 N. French Drive
Hobbs, New Mexico 88240**

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE : _____ Secondary Recovery _____ Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No

II. OPERATOR: Apache Corporation

ADDRESS : 6120 South Yale, Suite 1500 Tulsa OK 74136-4224

CONTACT PARTY : Elaine Linton PHONE : (918)491-5362

III. WELL DATA: Complete the data required on the reverse side of this form for each well processed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes No
If yes, give the Division order number authorizing the project _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)

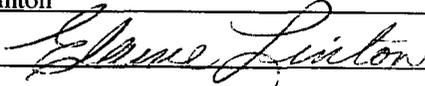
*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the 'Proof of Notice' section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Elaine Linton TITLE: Engineering Technician

SIGNATURE:  DATE: 06/02/2005

E-MAIL ADDRESS: elaine.linton@apachecorp.com

* If the information required under Sections VI, VII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstance of the earlier submittal: _____

III. WELL DATA

OPERATOR	<u>Apache Corporation</u>	LEASE	<u>State 'E' Tract 27</u>		
WELL NO.	<u>1</u>	<u>430' FSL & 1980' FWL</u>	<u>N</u>	<u>18</u>	<u>21S</u>
		FOOTAGE LOCATION	UNIT	SECTION	TOWNSHIP
					<u>37E</u>
					RANGE

Well Construction Data

Surface Casing

Size 9-5/8 Cemented with 450 sx

TOC Surface feet determined by Circulation

Hole Size 12-1/4

Intermediate Casing

Size _____ Cemented with _____

TOC _____ feet determined by _____

Hole Size _____

Long String

Size 7 Cemented with 1525 sx

TOC 1340 feet determined by Temp Survey

Hole Size 8-3/4

Total Depth 6900

Injection Interval

4150 feet to 5100 feet **Perforated (Approximate To be determined at time of work)**
 (perforated or open-hole; indicate which)

Tubing Size 4-1/2" lined with Fiberliner set in a
 (type of internal coating)
7" Baker Lok-Set packer at 4125' feet

Other type of tubing / casing seal if applicable N/A

Other Data

1. Is this a new well drilled for injection? Yes No
 If no, for what purpose was the well originally drilled? Oil Production
2. Name of the Injection formation San Andres
3. Name of Field or Pool (if applicable) Eunice, San Andres, North (Gas)
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e., sacks of cement or plug(s) used.
Blinebry - 5552-5938 CIBP - 5502' w/35' cement
Drinkard - 6682-6852 CIBP - 6057' w/35' cement
5. Give the names and depths of any over or underlying oil or gas zones (pools) in this area.
Next higher oil zone Grayburg @ +/- 3973'
Next lower oil zone Blinebry @ +/- 5732'

State 'E' Tract 27 No. 1

API - 30-025-26317

430' FSL & 1980' FWL

Sec. 18 T-21S R-37E

Lea County, New Mexico

Spud Date - 6/5/1979



Current Wellbore

Surface Casing

9.625" 32 # H40 0' - 1225' 450 sxs cmt. TOC - Surf Circ

CIBP - 5502' w 35' cmt

Blinebry

(9/79) - 5774-78, 5800-03, 48-51, 5938-42

(7/87) - 5596-5628, 5663-5738

(7/00) - 5552-64, 72-88, 5604-22, 46-76, 5680-5712

CIBP - 6057' w/35' cmt

Drinkard - (7/79)

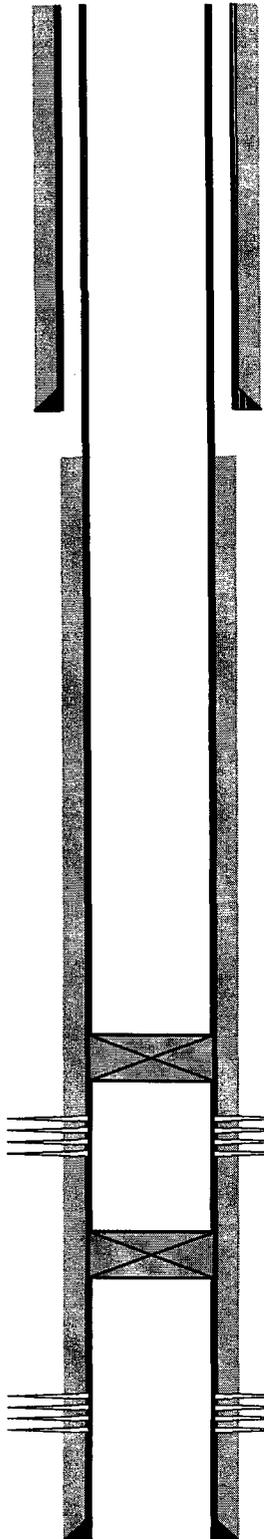
6682-86, 6700-06, 12-16, 25-28, 34-38, 72-76, 6800-09,

6842-52

Production Casing

7" 26 # 0' - 6900' 1525 sxs cmt. TOC - 1340' TS

~~San Andres 4400 - 6080' Open Hole~~



State 'E' Tract 27 No. 1

API - 30-025-26317

430' FSL & 1980' FWL

Sec. 18 T-21S R-37E

Lea County, New Mexico

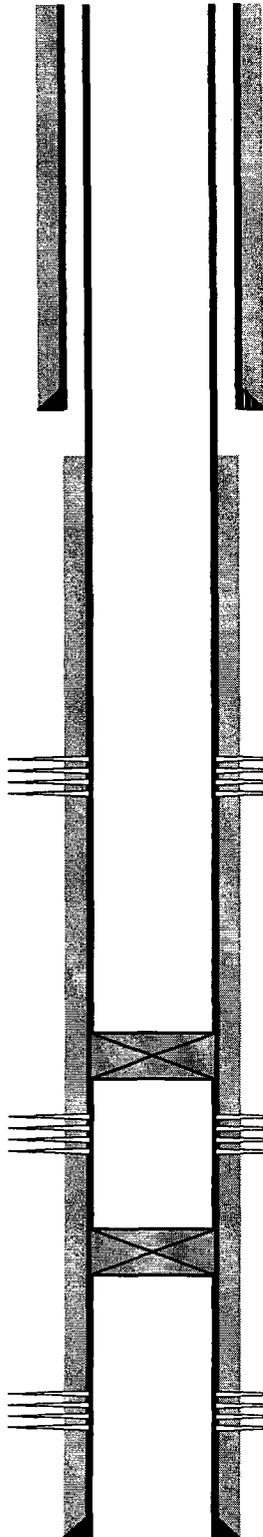
Spud Date - 6/5/1979



Proposed Wellbore

Surface Casing

9.625" 32 # H40 0' - 1225' 450 sxs cmt. TOC - Surf Circ



San Andres - ~~4100' - 4900'~~ ⁵¹⁰⁰

CIBP - 5502' w 35' cmt

Blinebry

(9/79) - 5774-78, 5800-03, 48-51, 5938-42

(7/87) - 5596-5628, 5663-5738

(7/00) - 5552-64, 72-88, 5604-22, 46-76, 5680-5712

CIBP - 6057' w/35' cmt

Drinkard - (7/79)

6682-86, 6700-06, 12-16, 25-28, 34-38, 72-76, 6800-09,

6842-52

Production Casing

7" 26 # 0' - 6900' 1525 sxs cmt. TOC - 1340' TS

VIII. GEOLOGICAL DATA

The San Andres formation has been chosen for water disposal.
The intervals chosen within the San Andres are as follows:

Proposed Injection Formation: San Andres, Top -4040' Base - 5205'
Proposed Injection Intervals: 4150 - 5100'

The San Andres formation is overall a thick, porous dolomite exhibiting excellent porosity. In the State 'E' Tract 27 No.1 logs, porosities are typically in the 10 - 20 % range. These porosity zones are more than adequate to allow for the disposal of produced water. Sufficient barriers exist in the upper and lower portions of the San Andres formations to prevent vertical migration either upwards or downwards into over/underlying productive formations.

Nearest overlying productive formation: Grayburg, Top - 3600 Base - 3973'
Distance to uppermost San Andres perforation: 177'

Next lowest productive zone: Blinberry, Top - 5732 ' Base - 6267'
Distance from lowest San Andres perforation to top of Blinberry: 632'

The deepest known fresh water in this immediate area is the Ogallala formation at a depth of 100' - 300', ~4000' above the proposed disposal zone. This should present no hazard to the fresh water aquifers in the area.

The above information is accurate to the best of my knowledge. I have worked in the Permian Basin for the last 25 years. My credentials have been accepted by the NMOCD as an expert witness in this area.

Robert E. Curtis
Sr. Staff Geologist
Apache Corporation
(918) 491-4924
bob.curtis@apachecorp.com

FORM C-108 MISCELLANEOUS DATA
State 'E' Tract 27 No. 1

VII. PROPOSED OPERATION

- | | | | |
|----|----------------------------|---|-------------------|
| 1. | Average Injection Rate | 8,000 BWPD | |
| | Maximum Injection Rate | 12,000 BWPD | |
| 2. | Closed Injection System | | |
| 3. | Average Injection Pressure | 700 psi | |
| | Maximum Injection Pressure | 800 psi (approximate) | |
| | | (will not exceed 0.2 psi/ft to top perforation) | |
| 4. | Source Water | Grayburg | Analysis Attached |
| | | San Andres | Analysis Attached |

VIII. Please see attached.

IX. STIMULATION PROGRAM

Acidize injection interval with +/- 12,000 gals 15% HCL

X. Logs will be submitted upon completion of the well.

XI. Fresh Water Chemical Analysis

Cardinal Laboratories reports for the McCasland & Sims FW wells follow.



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603
 PHONE (505) 393-2326 • 101 E. MARLAND • MOBBE, NM 88240

ANALYTICAL RESULTS FOR
APACHE CORP.
P.O. BOX 1849
EUNICE, NM 88231
FAX TO: (505) 394-2425

Receiving Date: 05/13/05
 Reporting Date: 05/17/05
 Project Number: NOT GIVEN
 Project Name: McCASLAND
 Project Location: NOT GIVEN

Sampling Date: 05/13/05
 Sample Type: WATER
 Sample Condition: COOL & INTACT
 Sample Received By: NF
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
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ANALYSIS DATE:	05/16/05	05/16/05	05/16/05	05/16/05	05/16/05	05/16/05
H9788-1 #1 <i>MCCASLAND</i>	120	81	20	6.18	541	204
H9796-2 #2 <i>SIDS</i>	81	32	25	4.10	533	182
Quality Control	NR	48	47	8.59	1322	NR
True Value QC	NR	50	50	5.00	1413	NR
% Recovery	NR	96.0	94.0	112	93.8	NR
Relative Percent Difference	NR	1.8	2.0	9.0	0.7	NR
METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1	

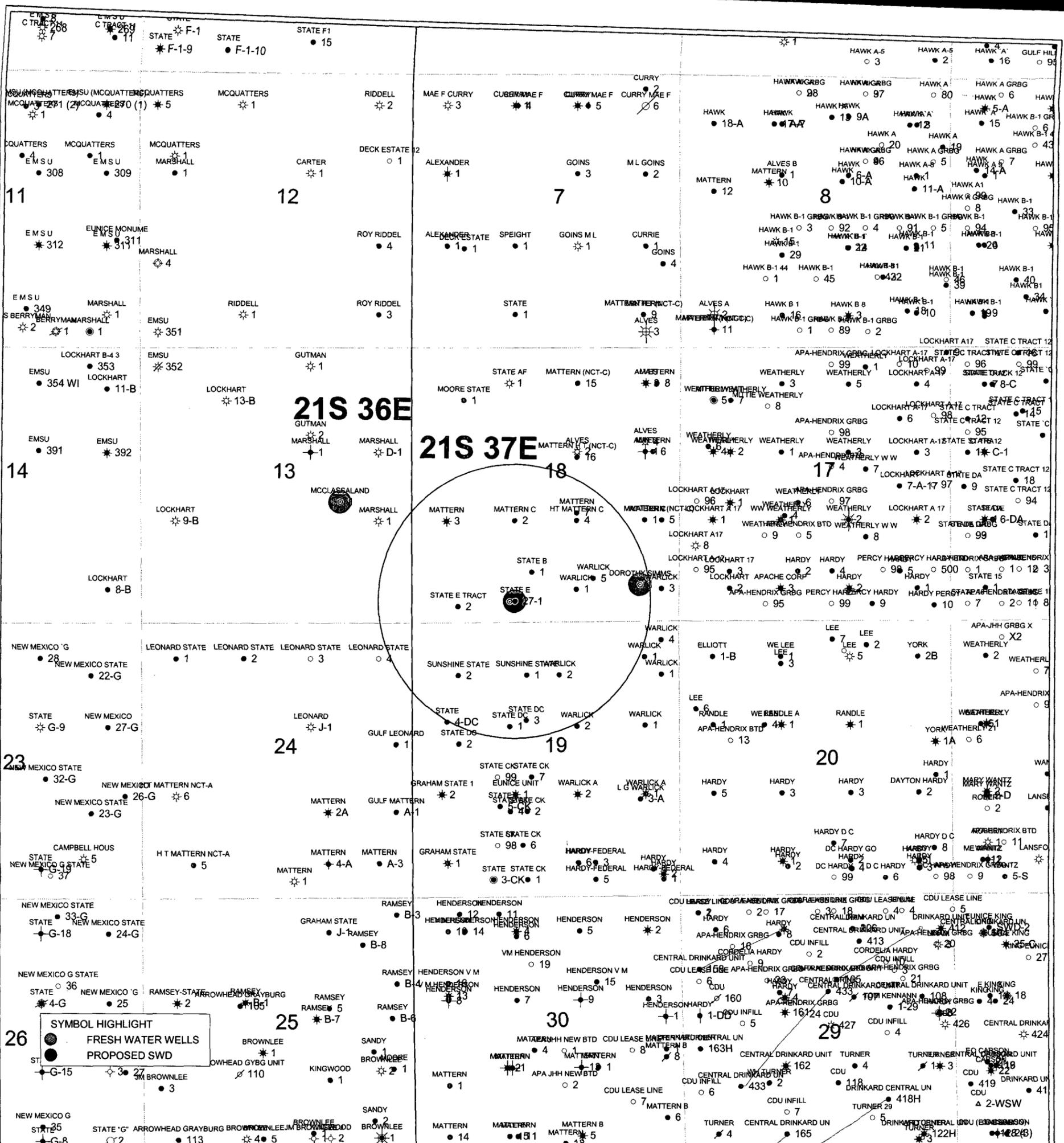
Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
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ANALYSIS DATE:	05/16/05	05/16/05	05/16/05	05/16/05	05/16/05	05/17/05
H9788-1 #1	180	72	0	249	6.81	688
H9788-2 #2	72	68	0	234	6.88	584
Quality Control	980	57.00	NR	927	6.88	NR
True Value QC	1000	50.00	NR	1000	7.00	NR
% Recovery	98.0	114	NR	92.7	98.3	NR
Relative Percent Difference	1.0	12.7	NR	3.4	0.7	1.1
METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Amy Hill
 Chemist

5/17/05
 Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. Cardinal shall not be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



PETRA 5/25/2005 4:47:00 PM

APACHE CORPORATION

LEA COUNTY, NEW MEXICO

STATE 'E' TRACT 27 #1

SEC. 18-21S-37E

Ratio Scale = 1 : 24,000

0 2,000
FEET

May 25, 2005

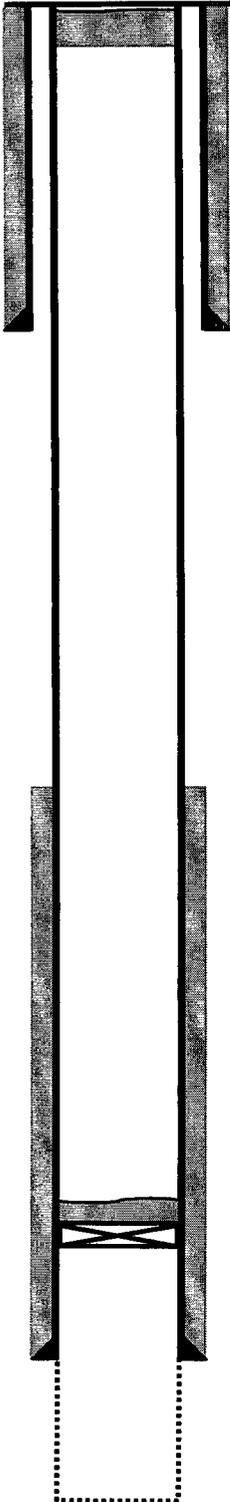
VI. AREA OF REVIEW / WELL DATA

Top of Cement

WELL NAME	API NO.	S/T/R	LOCATION	WELL TYPE	COMP DATE	TD	HOLE	SURFACE CASING	INTERMEDIATE CASING	PRODUCTION CASING	TOC	HOLE LINER	LINER DEPTH	TOC
STATE E TRACT 27 #001	30-025-26317	18/21S/37E	430 FSL - 1980 FWL	O		6900								
H T MATTERN C #002	30-025-06658	18/21S/37E	1980 FSL - 1980 FWL	O	07/07/44	3913	12-1/4	9-5/8	293	200				990 - C
H T MATTERN C #007	30-025-28111	18/21S/37E	2130 FSL - 1980 FEL	O	09/23/75	6785	11	8-5/8	1295	500				2350 - T
L G WARLICK #001	30-025-06654	18/21S/37E	660 FSL - 1980 FEL	P&A	12/11/44	3817	10	8-5/8	1246	50				2550 - T
PRE-ONGARD WELL #004	30-025-06660	18/21S/37E	1980 FSL - 1980 FEL	P&A	05/25/48	3800	12-1/4	9-5/8	311	200				2475 - T
L G WARLICK #005	30-025-34419	18/21S/37E	860 FSL - 1650 FEL	O	05/27/98	6139	11	8-5/8	1220	555				1093 - C
PENROC STATE E TR 27 #002	30-025-26491	18/21S/37E	330 FSL - 880 FWL	O	11/12/79	6900	12-1/4	9-5/8	1230	450				5 - T
STATE B #001	30-025-06655	18/21S/37E	990 FSL - 2310 FWL	O	12/11/45	3810	11	8-5/8	1262	350				3345 - C
H T MATTERN NCT C COM #003	30-025-08659	18/21S/37E	1980 FSL - 660 FWL	G	09/19/44	3846	12-1/4	9-5/8	295	175				2514 - C
SUNSHINE STATE #001	30-025-20776	19/21S/37E	990 FNL - 2209 FWL	O	06/29/64	6717	17-1/2	13-3/8	267	275				2650 - T
SUNSHINE STATE #002	30-025-21035	19/21S/37E	990 FNL - 884 FWL	O	12/06/64	3903	11	8-5/8	275	200				2335 - T
L G WARLICK #002	30-025-20777	19/21S/37E	990 FNL - 2310 FEL	O	03/21/64	6722	17-1/2	13-3/8	292	300				1250 - T
STATE DC #001	30-025-06663	19/21S/37E	1980 FNL - 1876 FWL	O	11/20/60	6700	20	16	295	450				3120 - T
STATE DC #003	30-025-34401	19/21S/37E	1866 FNL - 2195 FWL	O	08/08/98	7825	11	8-5/8	1220	555				2230 - B

Top of Cement Legend:
 B = Cement Bond Log
 C = Calculated
 Surface = Circulated
 T = Temperature Survey

Pre-Ongard No. 4
 API - 30-025-06660
 1980' FSL & 1980' FEL
 Sec. 18 T-21S R-37E
 Lea County, New Mexico
 Spud Date - 1948



Dryhole Marker w/55' cmt

Completions

Date	Zone	Perfs
1948	Grayburg	3649 - 3800 Open Hole

Surface Casing (12-1/4" Hole)
 9.625" 40# 0'-311' 200 sxs cmt. TOC-0 Circ.

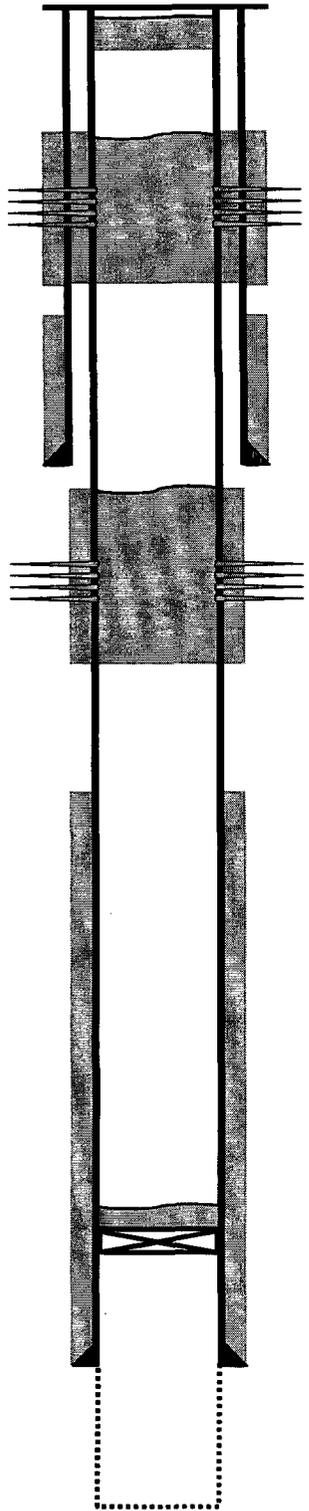
Backside Cmt @ 2475' Surv.

CIBP @ 3609 Set 1966 w/ 10sks cmt

Production Casing (7-7/8" Hole)
 5-1/2" 14# 0'-3649' 360 sxs cmt. TOC-2475' Surv.

TD 3800'

LG Warlick No. 1
 API - 30-025-06654
 660' FSL & 1980' FEL
 Sec. 18 T-21S R-37E
 Lea County, New Mexico
 Spud Date - 1944



Dryhole Marker w/60' cmt

Completions

Date	Zone	Perfs
1944	Grayburg	3625 - 3817 Open Hole

Sqzd 2002 w/ 80sks cmt TOC @ 297

Backside Cmt @ 1010' Calc.

Surface Casing (10" Hole)
 8.625" 32# 0'-1246' 50 sxs cmt. TOC-1010 Calc.

Sqzd 2002 w/ 80sks cmt TOC @ 1111

Backside Cmt @ 2550' Calc.

CIBP @ 3490 Set 1992 Cemented 2002 w/ 25sks cmt

Production Casing (8" Hole)
 5-1/2" 15.5# 0'-3625' 350 sxs cmt. TOC-2550' Calc.

TD 3817'

South Permian Basin Region
 10520 West I-20 East
 Odessa, TX 79765
 (915) 498-9191
 Lab Team Leader - Sheila Hernandez
 (915) 495-7240

Water Analysis Report by Baker Petrolite

Company:	APACHE CORPORATION	Sales RDT:	33102
Region:	PERMIAN BASIN	Account Manager:	MIKE EDWARDS (505) 910-9517
Area:	EUNICE, NM	ID #:	22639
Lease/Platform:	GRIZZELL UNIT	Analysis Cost:	\$40.00
Entity (or well #):	12		
Formation:	<u>Grayburg</u>		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 209886 @ 75 °F					
Sampling Date:	11/15/01	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	11/20/01	Chloride:	4050.0	114.24	Sodium:	2894.3	125.9
Analyst:	JAMES AHRLETT	Bicarbonate:	2405.0	39.42	Magnesium:	112.0	9.21
TDS (mg/l or g/m3):	9975.3	Carbonate:	0.0	0	Calcium:	262.0	13.07
Density (g/cm3, tonne/m3):	1.008	Sulfate:	20.0	0.42	Strontium:	9.0	0.21
Anion/Cation Ratio:	1.0000001	Phosphate:			Barium:	6.0	0.09
Carbon Dioxide:		Borate:			Iron:	4.0	0.14
Oxygen:		Silicate:			Potassium:	213.0	5.45
Comments:		Hydrogen Sulfide:			Aluminum:		
		pH at time of sampling:			Chromium:		
		pH at time of analysis:		7.47	Copper:		
		pH used in Calculation:		7.47	Lead:		
					Manganese:		
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO3		Gypsum CaSO4*2H2O		Anhydrite CaSO4		Celestite SrSO4		Barite BaSO4		CO2 Press
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
°F	psi											psi
80	0	1.32	171.78	-2.42	0.00	-2.49	0.00	-2.11	0.00	0.82	2.78	0.94
100	0	1.41	181.85	-2.44	0.00	-2.44	0.00	-2.09	0.00	0.67	2.78	1.28
120	0	1.51	191.57	-2.45	0.00	-2.37	0.00	-2.07	0.00	0.55	2.43	1.7
140	0	1.60	199.89	-2.46	0.00	-2.29	0.00	-2.04	0.00	0.45	2.08	2.2

- Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
- Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
- Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

South Permian Basin Region
 10520 West I-20 East
 Odessa, TX 79765
 (915) 498-9191
 Lab Team Leader: Sheila Hernandez
 (915) 495-7240

Water Analysis Report by Baker Petrolite

Company:	APACHE CORPORATION	Sales RDT:	33102
Region:	PERMIAN BASIN	Account Manager:	MIKE EDWARDS (505) 910-9517
Area:	EUNICE, NM	ID #:	22638
Lease/Platform:	GRIZZELL UNIT	Analysis Cost:	\$40.00
Entity (or well #):	10		
Formation:	San Andres		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 209885 @ 75 °F					
Sampling Date:	11/15/01	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	11/20/01	Chloride:	4111.0	115.96	Sodium:	2877.7	125.17
Analyst:	JAMES AHRLETT	Bicarbonate:	2282.0	37.4	Magnesium:	114.0	9.38
TDS (mg/l or g/m3):	9891.7	Carbonate:	0.0	0.0	Calcium:	281.0	14.02
Density (g/cm3, tonne/m3):	1.007	Sulfate:	20.0	0.42	Strontium:	9.0	0.21
Anion/Cation Ratio:	1.0000000	Phosphate:			Barium:	8.0	0.12
Carbon Dioxide:		Borate:			Iron:	4.0	0.14
Oxygen:		Silicate:			Potassium:	185.0	4.73
Comments:		Hydrogen Sulfide:			Aluminum:		
		pH at time of sampling:			Chromium:		
		pH at time of analysis:		7.44	Copper:		
		pH used in Calculation:		7.44	Lead:		
					Manganese:		
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO3		Gypsum CaSO4*2H2O		Anhydrite CaSO4		Celestite SrSO4		Barite BaSO4		CO2 Press
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	
°F	psi											psi
80	0	1.30	177.00	-2.39	0.00	-2.46	0.00	-2.11	0.00	0.94	4.16	0.95
100	0	1.39	188.80	-2.41	0.00	-2.41	0.00	-2.10	0.00	0.79	3.82	1.3
120	0	1.49	199.91	-2.42	0.00	-2.34	0.00	-2.07	0.00	0.67	3.47	1.71
140	0	1.59	209.97	-2.43	0.00	-2.26	0.00	-2.04	0.00	0.57	3.12	2.2

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
 Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.
 Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

of 1 weeks.

Beginning with the issue dated May 3 2005 and ending with the issue dated May 3 2005

Kathi Bearden

Publisher

Sworn and subscribed to before

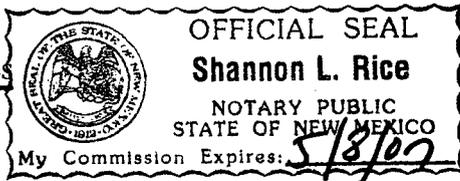
me this 3rd day of

May 2005

[Signature]

Notary Public.

My Commission expires ~~February 07, 2009~~
(Seal)



LEGAL NOTICE
MAY 3, 2005

Notice is hereby given of the application of Apache Corporation, 6120 South Yale, Suite 1500, Tulsa, Oklahoma 74136-4224 (918)491-5362, to the Oil Conservation Division, New Mexico Energy, Minerals and Natural Resources Department, for approval of the following injection well to be drilled for the purpose of water disposal.

Pool Name: Eunice; San Andres, North (Gas)
This well is located in Lea County, New Mexico

Lease/Unit Name: State E Tract 27

Well No. 1 (API 30-025-26317)

Location: 430' FSL & 1980'FWL, Section 18; T 21S, R 37E Unit N

The injection formation is the San Andres located between the interval 4040' MD to 5205' MD below the surface of the ground. Expected maximum injection rate is 10,000 barrels per day and the expected maximum injection pressure is 800 psi. Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South Francis Drive, Santa Fe, NM 87805 within fifteen days. #21488

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

02102716000 02576172
Apache Corporation
6120 South Yale, Suite 1500
TULSA, OK 74136-4224

**APPLICATION FOR DISPOSAL WELL
STATE 'E' TRACT 27 LEASE
OFFSET OPERATORS**

Chevron USA Inc.
P O Box 1150
Midland, Texas 79702
Certified Receipt No. 7002 2410 0004 2683 3255

MIRAGE ENERGY INC
P. O. Box 760
Eunice, NM 88231
Certified Receipt No. 7002 2410 0004 2683 3262

XTO Energy, Inc.
3000 North Garfield Suite 175
Midland, TX 79705
Certified Receipt No. 7002 2410 0004 2683 3248

PECOS PRODUCTION COMPANY
400 W. Illinois, Suite 1070
Midland TX, 79701
Certified Receipt No. 7002 2410 0004 2683 3293

FULFER OIL & CATTLE LLC
P. O Box 578
Jal, NM 88252
Certified Receipt No. 7002 2410 0004 2683 3231

PURE RESOURCES, LP
500 W. Illinois Ave.
Midland, TX 79707
Certified Receipt No. 7002 2410 0004 2683 3286

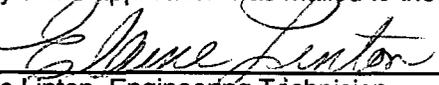
LANEXCO INC
P. O. Box 2730
Midland, TX 79702
Certified Receipt No. 7002 2410 0004 2683 3224

WESTBROOK OIL CORP
P.O. Box 2264
Hobbs, NM 88241
Certified Receipt No. 7002 2410 0004 2683 3316

MARATHON OIL CO
539 South Main Street
Finlay, OH 45840
Certified Receipt No. 7002 2410 0004 2683 3279

ZACHARY OIL OPERATING CO
P. O. Box 1969
Eunice, NM 88231
Certified Receipt No. 7002 2410 0004 2683 3309

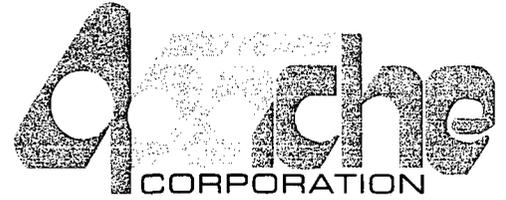
A copy of the application was mailed to the Offset Operators listed above on June 2, 2005.



Elaine Linton, Engineering Technician

June 2, 2005

Date



June 2, 2005

Chevron USA Inc.
P.O. Box 1150
Midland, TX 79702

Certified Receipt No. 7002 2410 0004 2683 3255

**Re: Proposed – State 'E' Tract 27 No.1
Unit N, Sec 18 - T 21S - R 37E
Eunice, San Andres, North (Gas)
Lea County, New Mexico**

Enclosed please find a copy of completed from C-108 with attachments, which Apache Corporation has filed with the New Mexico Oil Conservation Division. The map shows the referenced well in relation to your offset operations.

Regards,

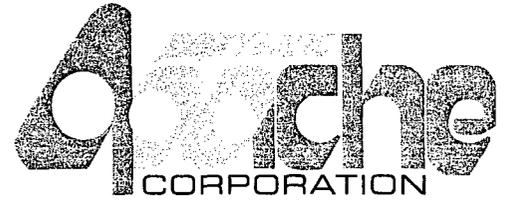
APACHE CORPORATION

A handwritten signature in cursive script that reads "Elaine Linton".

Elaine Linton
Engineering Technician

Enclosures

cc: State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

XTO Energy, Inc.
3000 North Garfield, Suite 175
Midland, TX 79705

Certified Receipt No. 7002 2410 0004 2683 3248

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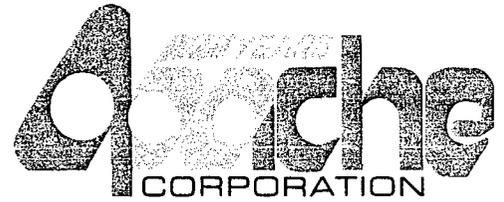
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Santa Fe, New Mexico 87505



June 2, 2005

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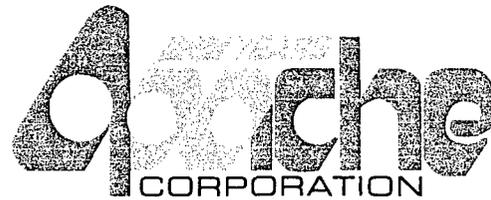
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Engineering Technician

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Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

LANEXCO INC.
P.O. Box 2730
Midland, TX 79702

Certified Receipt No. 7002 2410 0004 2683 3224

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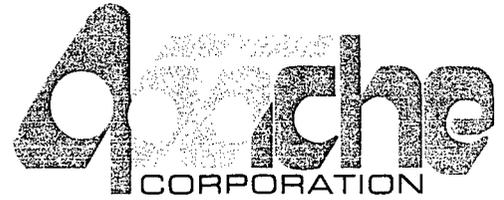
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Engineering Technician

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Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Marathon Oil Co.
539 South Main Street
Finlay, OH 45840

Certified Receipt No. 7002 2410 0004 2683 3279

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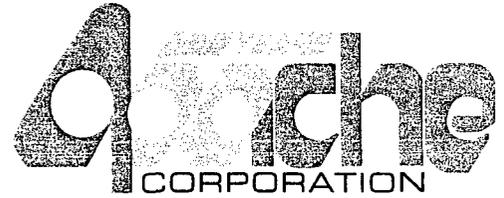
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Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Mirage Energy Inc.
P.O. Box 760
Eunice, NM 88231

Certified Receipt No. 7002 2410 0004 2683 3262

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Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Pecos Production Company
400 W. Illinois Ave.
Midland, TX 79701

Certified Receipt No. 7002 2410 0004 2683 3293

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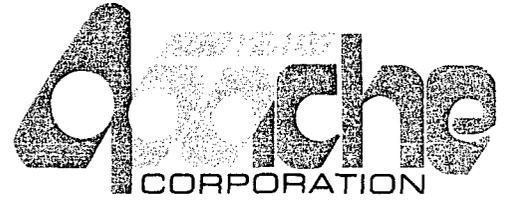
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Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Pure Resources, LP
500 W. Illinois Ave.
Midland, TX 79707

Certified Receipt No. 7002 2410 0004 2683 3286

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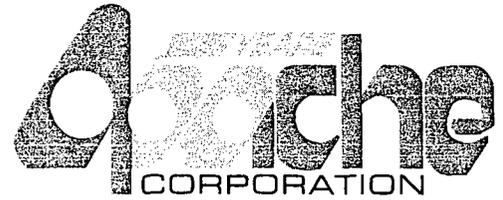
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Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Westbrook Oil Corp
P.O. Box 2264
Hobbs, NM 88241

Certified Receipt No. 7002 2410 0004 2683 3316

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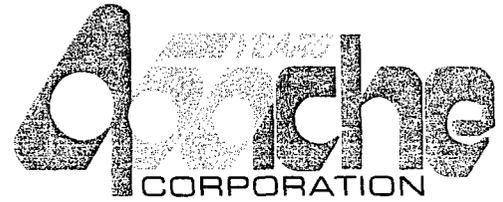
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Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Zachery Oil Operating Company
P.O. Box 1969
Eunice, NM 88231

Certified Receipt No. 7002 2410 0004 2683 3309

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Engineering Technician

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Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



June 2, 2005

Surface Owner

Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

Certified Receipt No. 7002 2410 0004 2683 3330

**Re: Proposed – State ‘E’ Tract 27 No.1
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