

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Apache  
A St #59*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication Apache Corporation's  
A State 59  
30-015-38967  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Brian Wood

Consultant

1-17-13

Print or Type Name

Signature

Title

Date

brian@permitswest.com

e-mail Address

# **PERMITS WEST**, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

**REQUEST FOR ADMINISTRATIVE APPROVAL  
NONSTANDARD LOCATION  
APACHE CORPORATION'S  
A STATE 59  
2310' FNL & 1100' FWL  
SECTION 25, T. 17 S., R. 28 E., EDDY COUNTY, NM  
API 30-015-38967**

I. The proposed oil well (see APD as Exhibit A) is on private surface (Bogle Ltd. Company c/o COG) and NM State Land Office oil and gas lease XO-0647-0405 (8,746.59 acres). The well is 2,310' from the closest lease line (Exhibit B). The proposed oil well is nonstandard for the Artesia; Glorieta-Yeso (Pool 96830) due to land uses. There are three producing Red Lake; Queen-Grayburg-San Andres oil wells operated by LRE, three plugged and abandoned wells, one other proposed Yeso well, and ancillary roads, pipelines, and power lines in the SWNW Section 25.

Apache requests a nonstandard location due to land uses. The well was planned to be staked 2310 FNL & 990 FWL. However, LRE's Marathon 25 State 28 (30-015-36990) occupies that spot (Exhibit C). The two pads now overlap.

A standard location must be at least 330' from the quarter-quarter line. The well bore is 220' from the east quarter-quarter line (see C-102 as EXHIBIT D). It is 110' too far east. It is 330' from the south quarter-quarter line. It is 396' from the southwest corner of the quarter-quarter.

II. Form C-102 showing the well and 40 acre pro ration unit (SWNW Section 25) is attached as Exhibit D.

Exhibit E shows the existing Yeso acreage dedications (dashed lines). The well encroaches 110' too far east. The encroachment is part of the same state lease.

Apache operates all Yeso wells in the SWNW Section 26 and seven of the bordering or cornering quarter-quarters. LRE operates a Yeso well in the NENE Section 26. Apache and its partners have 100% of the Yeso working interest in the affected offset quarter-quarters. Closest Yeso well is Apache's N B Tween State 6 (30-015-36626), which is 449' east at 2400 FNL & 1540 FWL 25-17s-28e.

III. The state oil and gas lease boundary is shown on EXHIBIT B. The well encroaches to the east. The encroachment is part of the same state lease. Eight existing Yeso pro ration units (see Exhibit E) touch the proposed pro ration unit. Seven of the eight are Apache operated. Apache and its partners have 100% of the Yeso working interest in the quarter-quarter in which the well is located, the quarter-quarter (SENE Section 25) toward which the well encroaches, and the closest cornering quarter-quarters (N2SW Section 25). This information is current and correct.

IV. Exhibit F shows the proposed well, proration unit, and all wells. Yeso wells are circled. Apache does not believe directional drilling to a standard location from an existing pad is cost effective for this well.

V. Three LRE producing Red Lake; Queen-Grayburg-San Andres oil wells, three plugged and abandoned wells, one other proposed Yeso well, and ancillary roads, pipelines, and power lines in the SWNW Section 25 prevent a standard location.

VI. Archaeology is not an issue.

VII. The well was planned to be staked 2310 FNL & 990 FWL. However, LRE's Marathon 25 State 28 oil well (Red Lake; Queen-Grayburg-San Andres) prevents a standard location.

VIII. Apache does not believe directional drilling to a standard location is cost effective for this well.

IX. I hereby certify that Apache Corporation and its partners have 100% of the Yeso working interest in the lease which comprises the proposed 40 acre spacing unit and the adjacent quarter-quarters (SENW & N2SW4 Section 25) on one or more of the two sides or the single closest corner to the proposed well toward which it encroaches and that the information is current and correct.

I hereby attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT F) by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division

receives the application. These affected persons have working or royalty interests in quarter-quarters that border the 40-acre spacing unit. Said notice was sent to:

Chase Oil Corporation  
COG Operating  
Khody Land & Minerals Co.  
Marathon Oil Company  
Yates Petroleum Corp.

*Brian Wood*

\_\_\_\_\_  
Brian Wood, Consultant

*1.17.13*

\_\_\_\_\_  
Date

STATE OF NEW MEXICO     )  
  ) SS:  
COUNTY OF SANTA FE     )

The foregoing instrument was acknowledged before me this *17<sup>th</sup> of Jan. 2013* day of January, 2013 by Brian Wood. Witness my hand and official seal.

*Karen Renner*

Notary Public  
My Commission Expires: *03/08/2015*  
Business Address:

*13 Avenida Vista Grande  
Santa Fe, NM 87508*

OFFICIAL SEAL  
**KAREN RENNER**  
NOTARY PUBLIC - STATE OF NEW MEXICO  
My commission expires: *03/08/2015*

cc: Flores, OCD (Artesia & Santa Fe)

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

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705		2. OGRID Number 873
		3. API Number 30-015-38967
4. Property Code 308701	5. Property Name A STATE	6. Well No. 059

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	East From	N/S Line	East From	E/W Line	County
E	25	17S	28E	E	2310	N	1100	W	EDDY

8. Pool Information

ARTESIA; GLORIETA-YESO (O)	96830
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cables/Rotary	12. Lease Type State	13. Ground Level Elevation 3668
14. Multiple N	15. Proposed Depth 5700	16. Formation Yeso Formation	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Linear Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	300	
Prod	7.875	5.5	17	5700	960	

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	2000	

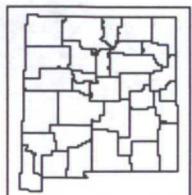
I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>		
	Approved By: Randy Dade		
	Title: District Supervisor		
	Title:	Approved Date: 4/19/2011	Expiration Date: 4/19/2013
	Email Address: bobby.smith@apachecorp.com		
Date: 4/19/2011	Phone: 432-818-1020	Conditions of Approval Attached	

EXHIBIT A



- Point Locations**
- County Seat
  - ▲ SLO District Offices
  - City, Town or Village
  - ★ Volcanic Vents
  - Highway Mileposts
- NMOCD Oil and Gas Wells**
- Oil
  - Injection
  - ★ Carbon Dioxide
  - Miscellaneous
  - ☆ Gas
  - ⊕ Water
  - ◇ DA or PA
  - △ Salt Water Disposal
- Federal Minerals**
- All Minerals
  - Coal Only
  - Oil and Gas Only
  - Oil, Gas and Coal Only
  - Other Minerals
- State Trust Lands**
- Surface Estate
  - Subsurface Estate
  - Both Estates
- NMSLO Leasing**
- Option Agreement
  - Commercial Lease
  - Minerals Lease
  - Oil and Gas Lease
  - Agricultural Lease
  - Not Available for Oil and Gas Leasing
  - Restriction Influences Oil and Gas Leasing
- Other Boundaries**
- Continental Divide
  - State Boundary
  - County Boundaries
  - Oil and Gas Unit Boundary
  - Participating Areas in Units
  - Geologic Regions
  - Potash Enclave (NMOCD R-111-P)

For detailed legend of the Geologic Map of New Mexico, please see <http://geoinfo.nmt.edu>



[www.nmstatelands.org](http://www.nmstatelands.org)

**New Mexico State Land Office  
Oil, Gas, and Minerals**



Universal Transverse Mercator Projection, Zone 13  
1983 North American Datum

**EXHIBIT B**

The New Mexico State Land Office assumes no responsibility or liability for, or in connection with, the accuracy, reliability or use of the information provided here, in State Land Office data layers or any other data layer.

Land Office Geographic Information Center  
[logic@slo.state.nm.us](mailto:logic@slo.state.nm.us)

Created On: 1/5/2013 12:48:39 PM

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

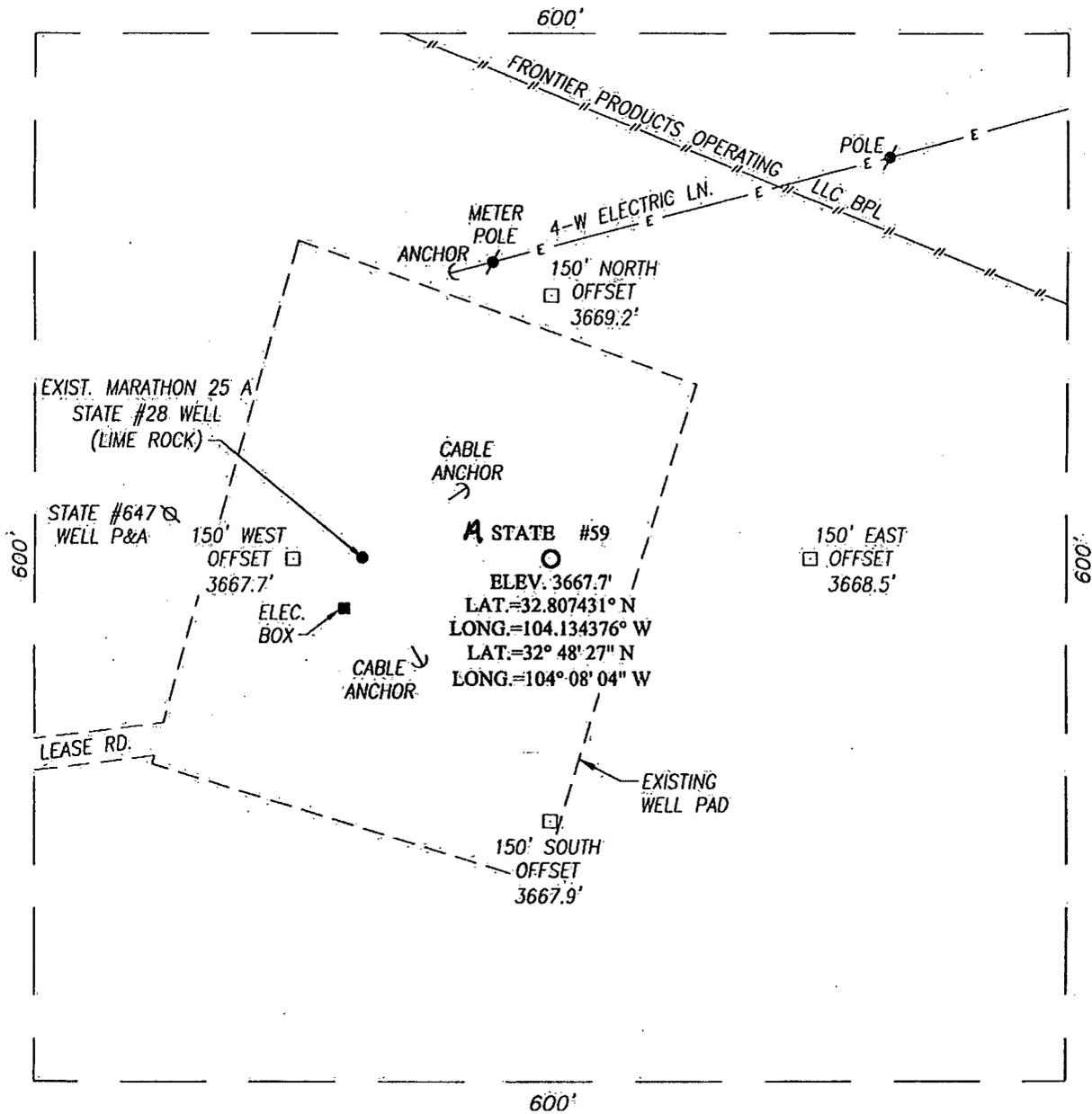
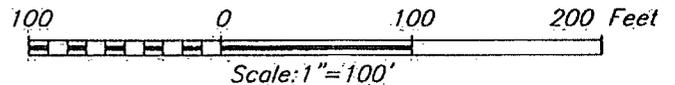


EXHIBIT C

DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 (LOVINGTON HWY.) AND CO. RD. #209 (TURKEY TRACK RD.), GO EAST ON U.S. HWY. #82 APPROX. 1.2 MILES. TURN LEFT AND GO NORTHWEST APPROX. 0.3 MILES TO THE EXISTING LIME ROCK MARATHON 25 A STATE #28 WELL PAD. THIS LOCATION STAKE IS APPROX. 110 FEET EAST OF THE EXISTING WELL.



PROVIDING SURVEYING SERVICES  
SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(575) 393-3117

<b>APACHE CORPORATION</b>			
<b>A STATE #59 WELL</b> LOCATED 2310 FEET FROM THE NORTH LINE AND 1100 FEET FROM THE WEST LINE OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.			
Survey Date:	3/25/11	Sheet	1 of 1 Sheets
W.O. Number:	11.11.0567	Dr By:	DSS
Date:	4/5/11	11110567	Rev 1:N/A
		Scale: 1"=100'	

LRE's Marathon 25 State 28



A State 59 center stake



EXHIBIT C

District III

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-38967	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 308701	5. Property Name A STATE	6. Well No. 059
7. OGRID No. 873	8. Operator Name APACHE CORP	9. Elevation 3668

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Ltn	Feet From	N/S Line	Feet From	E/W Line	County
E	25	17S	28E		2310	N	1100	W	EDDY

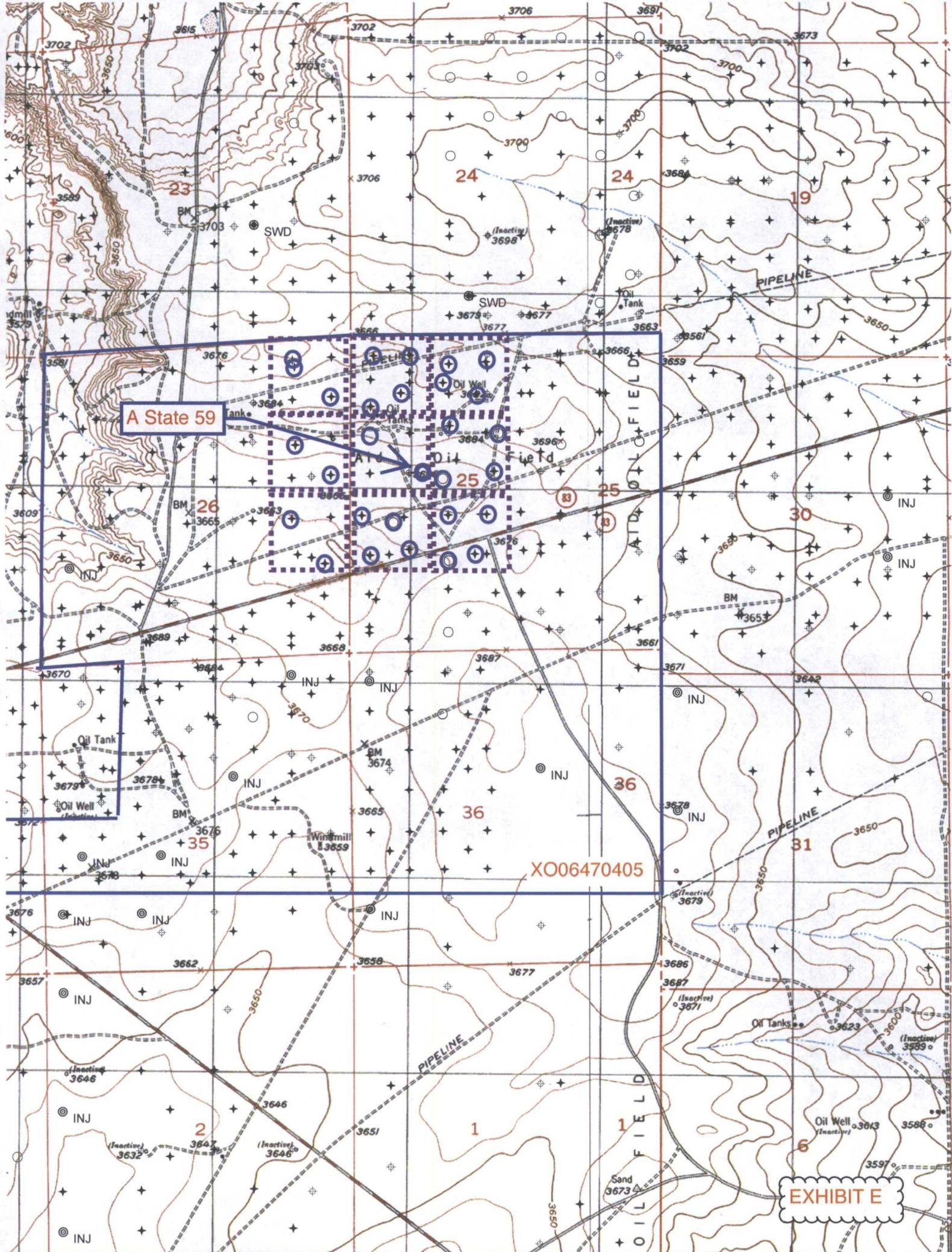
**11. Bottom Hole Location If Different From Surface**

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

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

	<b>OPERATOR CERTIFICATION</b>		
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>		
	<p>E-Signed By: Bobby Smith Title: Date: 4/19/2011</p>		
<b>SURVEYOR CERTIFICATION</b>			
<p><i>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.</i></p>			
<p>Surveyed By: RONALD EIDSON Date of Survey: 3/25/2011 Certificate Number: 3239</p>			

EXHIBIT D



A State 59

XO06470405

EXHIBIT E

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 17, 2013

Chase Oil Corporation  
11352 Lovington Highway  
Artesia, NM 88210

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its A State 59 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further east than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: A State 59      ID: 5,700'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWNW Section 25, T. 17 S., R. 28 E., Eddy County, NM) on NMSLO lease X0-0647-0405  
Location: ~9 air mile west of Loco Hills, NM at 2310 FNL & 1100 FWL 25-17s-28e  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

EXHIBIT F

7012 0470 0001 5938 5354

U.S. Postal Service™	
<b>CERTIFIED MAIL™ RECEIPT</b>	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$ 45
Certified Fee	2.05
Return Receipt Fee (Endorsement Required)	2.75
Restricted Delivery Fee (Endorsement Required)	1.15
Total Postage & Fees	\$ 5.75

Sent To: Chase

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

Postmark: SANTA FE, NM, JAN 17 2013

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 17, 2013

David Evans  
COG Operating  
600 West Illinois Ave.  
Midland, TX 79701

Dear Mr. Evans:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its A State 59 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further east than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: A State 59      ID: 5,700'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWNW Section 25, T. 17 S., R. 28 E., Eddy County, NM)  
on NMSLO lease X0-0647-0405  
Location: ≈9 air mile west of Loco Hills, NM at 2310 FNL & 1100 FWL 25-17s-28e  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

EXHIBIT F

7122 0470 0001 5361 1955 9635 1000 0440 2102

U.S. Postal Service <sup>TM</sup>	
CERTIFIED MAIL <sup>TM</sup> RECEIPT	
(Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
OFFICIAL USE	
Postage	\$ 45
Certified Fee	2.75
Return Receipt Fee (Endorsement Required)	2.55
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75
Sent To	COG
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	
PS Form 3800, August 2006 See Reverse for Instructions	

QUICKSEND CPU SANTA FE, NM 87508

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 17, 2013

Khody Land & Minerals Co.  
3817 NW Expressway, Suite 950  
Oklahoma City, OK 73112

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying for NSL approval for its A State 59 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further east than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: A State 59      ID: 5,700'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWNW Section 25, T. 17 S., R. 28 E., Eddy County, NM) on NMSLO lease X0-0647-0405  
Location: ~9 air mile west of Loco Hills, NM at 2310 FNL & 1100 FWL 25-17s-28e  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,

Brian Wood

U.S. Postal Service  
**CERTIFIED MAIL™ RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ 4.5
Certified Fee	3.95
Return Receipt Fee (Endorsement Required)	3.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

QUICKSEND CPU  
SANTA FE, NM  
87505  
JAN 17 2013  
Postage Here

Sent To: *Khody*

Street, Apt. No., or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT F

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 17, 2013

Marathon Oil Company  
200 North Lorraine, Suite 1310  
Midland, TX 79702

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

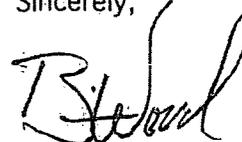
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NSL Acreage Dedication: 40 acres (SWNW Section 25, T. 17 S., R. 28 E., Eddy County, NM) on NMSLO lease X0-0647-0405  
Location: ~9 air mile west of Loco Hills, NM at 2310 FNL & 1100 FWL 25-17s-28e  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

U.S. Postal Service™  
**CERTIFIED MAIL™ RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$ 45
Certified Fee	295
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.75

Postmark Here: JAN 17 2013 SANTA FE, NM

QUICKSEND CPU

Sent To: Marathon

Street, Apt. No., or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT F

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 17, 2013

Yates Petroleum Corporation  
105 S. 4<sup>th</sup> St.  
Artesia, NM 88210

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

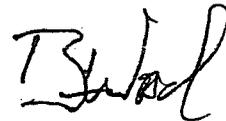
Apache Corporation is applying for NSL approval for its A State 59 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further east than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

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Location: ~9 air mile west of Loco Hills, NM at 2310 FNL & 1100 FWL 25-17s-28e  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

2685 9685 1000 0470 2102

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