

ABOVE THIS LINE FOR DIVISION USE ONLY

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



**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  
 X NSL  NSP  SD

*NSL - 7211*  
*WCU*  
 Apache Corporation's  
 Northeast Drinkard Unit 169  
 30-025-42243

Check One Only for [B] or [C]

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

*Pool*  
*- Eunice, Bli-T-DK;*  
*NORTH*  
*22500*

- [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

*Brian Wood*

Consultant

12-14-14

Print or Type Name

Signature

Title

Date

brian@permitswest.com

e-mail Address

**REQUEST FOR ADMINISTRATIVE APPROVAL  
APACHE CORPORATION'S  
NORTHEAST DRINKARD UNIT 169  
30-025-42243  
3440' FNL & 130' FWL  
SECTION 2, T. 17 S., R. 37 E., LEA COUNTY, NM**

I. This proposed oil well is on State surface and a State oil and gas lease within the unit. The well is nonstandard (200' too far west) for the Eunice; Bli-Dr-Tu, North Pool (22900) due to the P&A State Section 2 #11 well (see EXHIBIT A). That well (30-025-06377) is 209' east of the NEDU 169. The State Section 2 #11 produced from the Tubb from 1965-1973 until it was squeezed for being non-commercial. It was subsequently completed in the Abo, Connell, and McKee. The well was ultimately plugged and abandoned in 2002. Apache requests a nonstandard location to prevent waste and maximize recovery.

A standard location must be  $\geq 330'$  from the boundary of the quarter-quarter according to Order R-8539 et al. In this case, it is 130' from the west side of Lot 12.

II. Form C-102 showing the well and 40-acre dedication is attached as Exhibit B. Exhibit C shows the unit boundary. The well is 200' too far west. It is 3440' from the closest unit boundary. The well encroaches toward the interior of the unit. Section 2 is 950.76 acres instead of the standard 640 acres.

III. Unit boundaries are shown on EXHIBIT C. The well encroaches to the west. Eunice; Bli-Dr-Tu, North dedications exist in Lot 12 and all 8 bordering or cornering quarter-quarters, all of which are in the unit. This information is current and correct.

IV. Archaeology is not an issue.

V. Surface issue (P&A well) and the need to prevent waste and recover additional reserves drive the need for this nonstandard location.

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

VII. I hereby certify that there is common ownership and partner approval of the Blinebry, Drinkard, and Tubb working interest in the lease which comprises the proposed 40 acre spacing unit (Lot 12 Section 2) and the adjacent quarter-quarters (Lots 9 and 16 Section 3 and Lot 13 Section 2) of the sides and corner toward which it encroaches, all of which are in the unit, and that the information is current and correct. Therefore, notice to any affected party is not required.

*B Wood*

Brian Wood, Consultant

*12-14-14*

Date

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

The foregoing instrument was acknowledged before me this 14th day of December, 2014 by Brian Wood. Witness my hand and official seal.

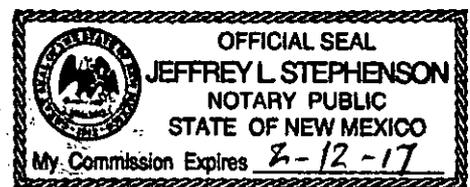
*Jeffrey L Stephenson*

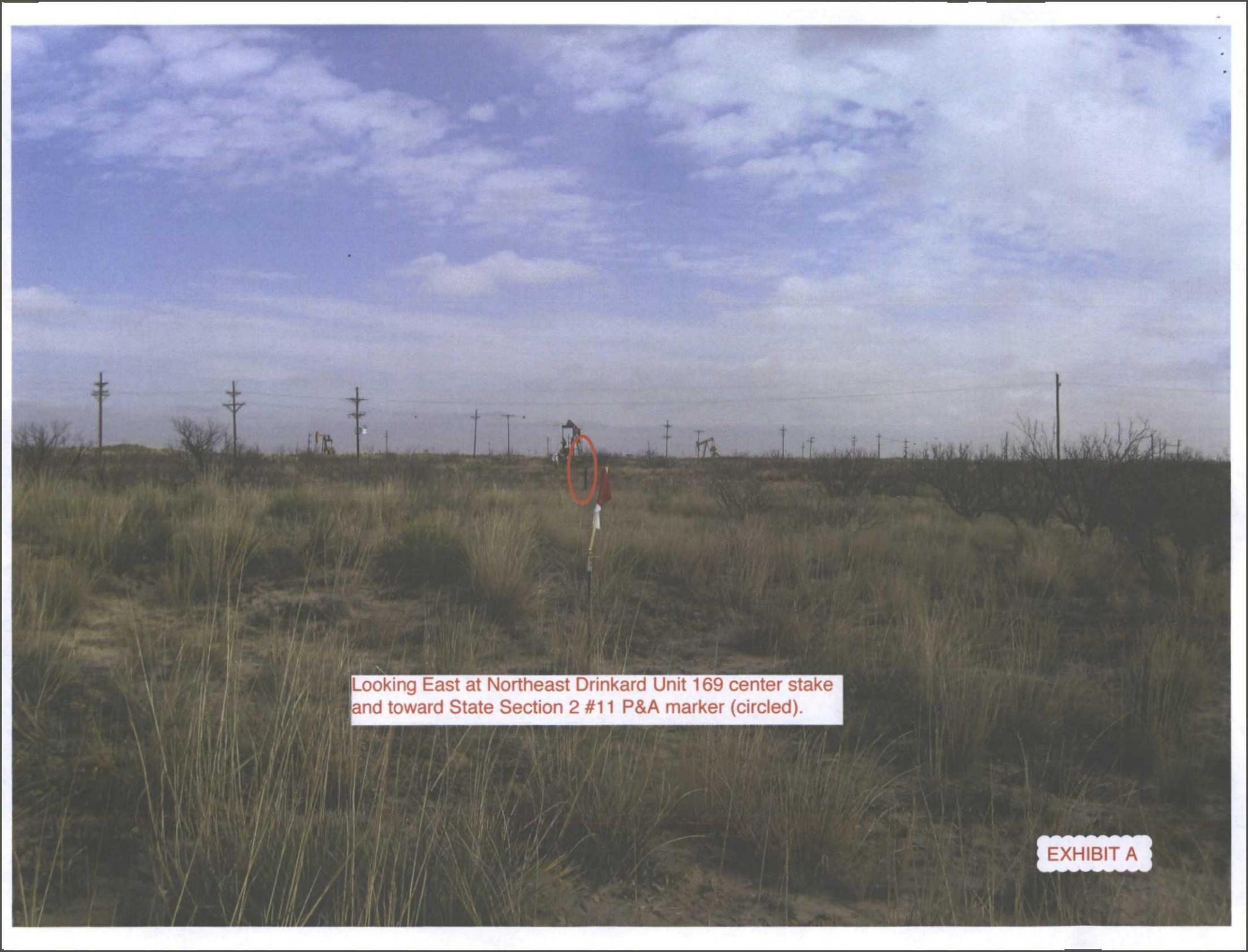
Notary Public

My Commission Expires: *2-12-2017*

Business Address: 37 Verano Loop, Santa Fe NM 87508

cc: Cooper





Looking East at Northeast Drinkard Unit 169 center stake  
and toward State Section 2 #11 P&A marker (circled).

EXHIBIT A

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, Amico, NM 87418  
Phone: (505) 334-4178 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 30-025-42243	2 Pool Code 22900	3 Pool Name Eunice; BLE-TU-DR, North
4 Property Code 22503	5 Property Name NORTH EAST DRINKARD UNIT	
7 OGRID No. 873	8 Operator Name APACHE CORPORATION	9 Elevation 3479.31

10 Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
5	2	21 S	37 E		3,440	NORTH	130	WEST	LEA

11 Bottom Hole Location If Different From Surface

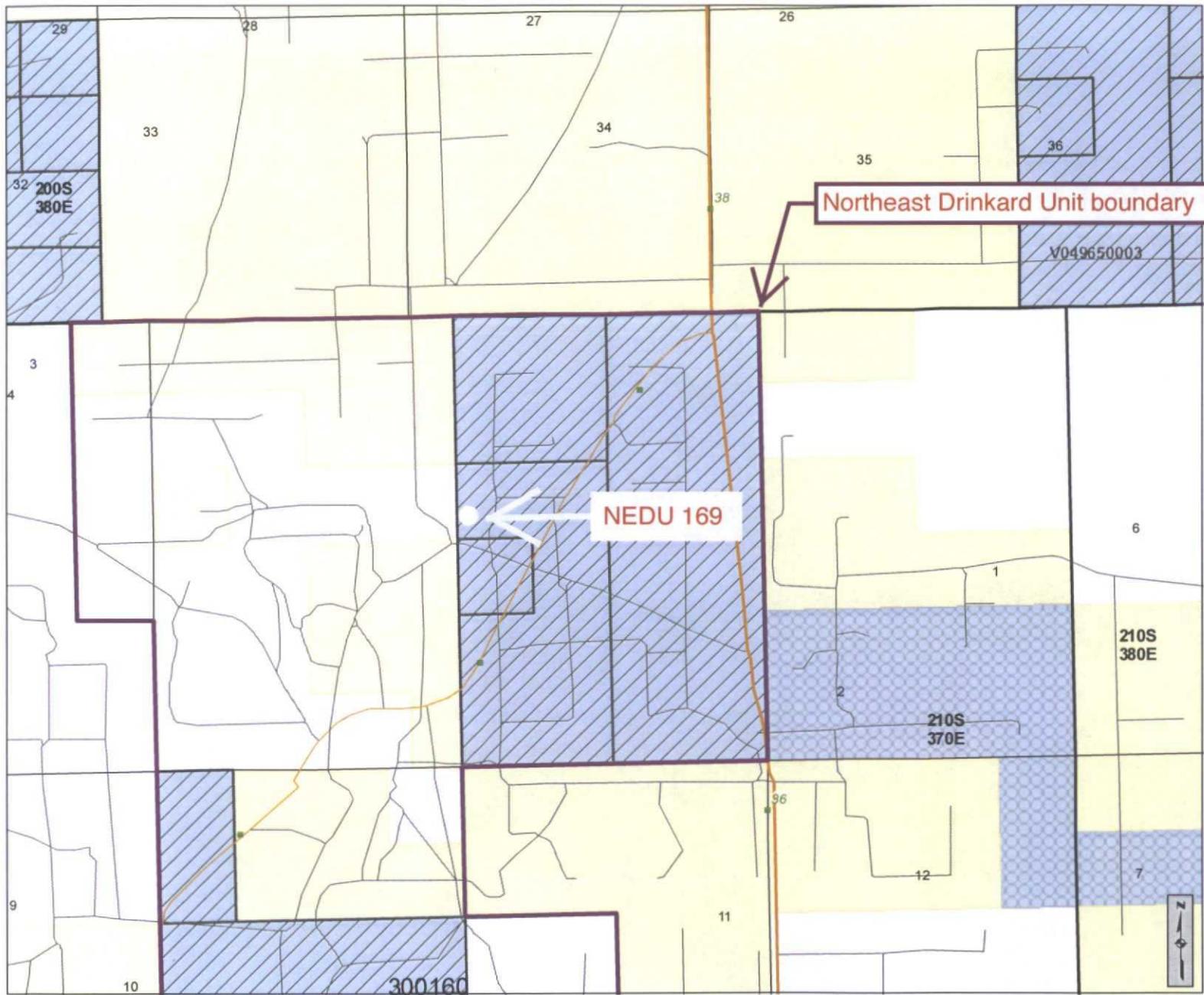
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County

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.

SECTION 2, TOWNSHIP 21 SOUTH, RANGE 37 EAST P.M.

	<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><i>Michelle Cooper</i> 11-8-14 Signature Date</p> <p>Michelle Cooper Printed Name</p> <p>michelle.cooper@apachecorp.com E-mail Address</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>10-02-2014 Date of Survey</p> <p>Signature and Seal of Professional Surveyor <i>Jeffery E. Hudson</i> Certificate Number 20659</p>
	<p>19</p>

EXHIBIT B



- Cartographic Features**
- County Boundaries
  - County Seats
  - City, Town or Village
  - SLO District Offices
  - SLO District Boundary
  - Hwy Mileposts
  - Interstate
  - NM Hwy
  - US Hwy
  - Local Road
  - Continental Divide
- Federal Minerals Ownership**
- All Minerals
  - Coal Only
  - Oil and Gas Only
  - Oil, Gas and Coal Only
  - Other Minerals
- State Trust Lands**
- Surface Estate
  - Subsurface Estate
  - Surface and Subsurface Estate
- State Leases**
- Oil and Gas Leases
  - Agricultural Leases
  - Commercial Leases
  - Minerals Leases
  - Not Available for Oil and Gas Leasing
  - Oil and Gas Leasing Influenced by Restriction
- Oil and Gas Related Features**
- Oil and Gas Unit Boundary
  - Participating Areas in Units
  - Geologic Regions
  - Volcanic Vents
  - NMOC D Order R-111-P Potash Enclave Outline
- NMOC D Oil and Gas Wells**
- CO<sub>2</sub>
  - Injection
  - Oil
  - Water
  - Gas
  - Miscellaneous
  - Salt Water Disposal
  - DA or PA

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

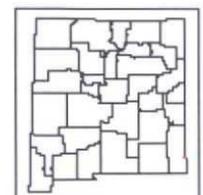
0 0.1 0.2 0.4 0.6 0.8 Miles  
 Universal Transverse Mercator Projection, Zone 13  
 1983 North American Datum

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@sls.state.nm.us

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**EXHIBIT C**



www.nmstatelands.org