

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
 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] X Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] X Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] X For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

NSL-7258
 Apache Corporation's -873
 Jackrabbit State 1
 30-015-42860
 POW
 - Ant. esia. Clon. eta
 YESOLO 4683 d
 2015 MAR 23 P 7:14
 RECEIVED OOD

[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

Print or Type Name

Signature

Consultant

Title

brian@permitswest.com

e-mail Address

3-23-15

Date

**REQUEST FOR ADMINISTRATIVE APPROVAL
APACHE CORPORATION'S
JACKRABBIT STATE 1
30-015-42860
330' FNL & 190' FEL
SECTION 32, T. 17 S., R. 28 E., EDDY COUNTY, NM**

I. This proposed 5,300' deep oil well is on private surface and a State oil and gas lease. The well is nonstandard (140' too far east) for the Artesia; Glorieta-Yeso Pool (96830) due to LRE's NW State 20 (30-015-3892), a San Andres well. That well (see EXHIBIT A) is at 330 FNL & 330 FEL.

Apache requests a nonstandard location due to land uses. The NENE Section 32 is occupied by 2 P&A wells, 2 active oil wells operated by LRE, one underground phone line, one overhead three phase power line, one overhead 115 kV power line, 150' wide US 82 right-of-way, and other miscellaneous pipelines, power lines, and roads. In addition, Apache has 3 approved oil wells and COG has an approved sand and gravel pit in the same quarter-quarter.

A standard location must be $\geq 330'$ from the boundary of the quarter-quarter. In this case, it is 190' from the east side of unit letter A.

II. Form C-102 showing the well and 40-acre dedication is attached as Exhibit B. The well is 140' too far east.

III. Lease boundaries are shown on EXHIBIT C. The well encroaches to the north, northeast, and east. Artesia; Glorieta-Yeso dedications exist in unit letter A of Section 32 and 5 bordering or cornering quarter-quarters or lots. Apache operates the Artesia; Glorieta-Yeso wells in those 6 quarter-quarters. Unit letter M of Section 28 and unit letter D of Section 33 do not have Artesia; Glorieta-Yeso wells. See Exhibit D. This information is current and correct.

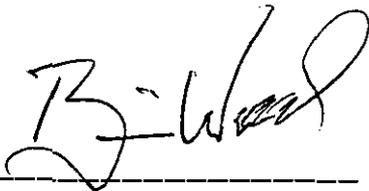
IV. Archaeology is not an issue.

V. Surface issues (wells and other infrastructure) 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 attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT E) 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:

Atofina Petrochemicals
ConocoPhillips
NM State Land Office



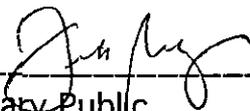
Brian Wood, Consultant

3-21-15

Date

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

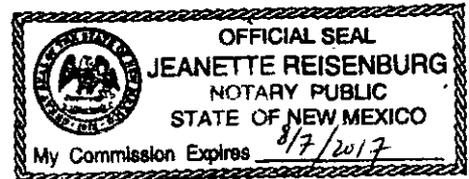
The foregoing instrument was acknowledged before me this 21st day of March, 2015 by Brian Wood. Witness my hand and official seal.



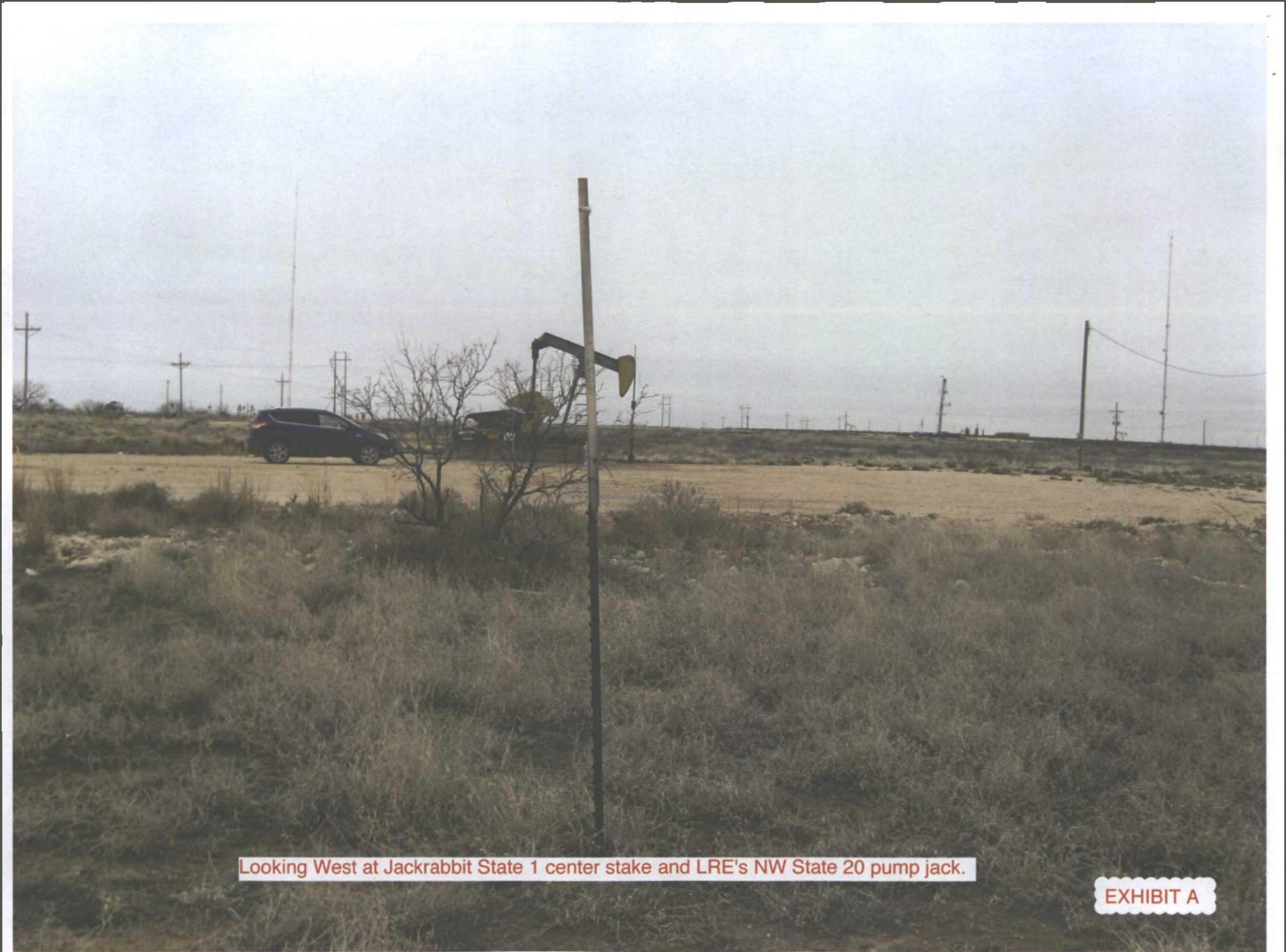
Notary Public

My Commission Expires: 8/7/2017

Business Address: 37 Verano Loop, Santa Fe NM 87508



cc: Cooper



Looking West at Jackrabbit State 1 center stake and LRE's NW State 20 pump jack.

EXHIBIT A

DISTRICT I
 1625 N. French Dr. NM 80240
 Phone:(575)393-5181 Fax:(575)393-0720

DISTRICT II
 811 S. First St., Artesia, NM 88210
 Phone:(575)746-1283 Fax:(575)746-0720

DISTRICT III
 1000 Nio Avenue, Aztec, NM 87410
 Phone:(505)331-8178 Fax:(505)331-8178

DISTRICT IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone:(505)170-3460 Fax:(505)476-3402

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised August 1, 2011

Submit one copy to appropriate
 District Office

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-	Pool Code 96830	Pool Name Artesia; Glorieta - Yeso
Property Code	Property Name JACKRABBIT STATE	Well Number 1
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3690'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	17 S	28 E		330	NORTH	190	EAST	EDDY

Bottom Hole 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.
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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 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 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.
 Signature: *Michelle Cooper* Date: *8-13-14*
 Printed Name: *Michelle Cooper*
 Email Address: *michelle.cooper@apachedrop.com*

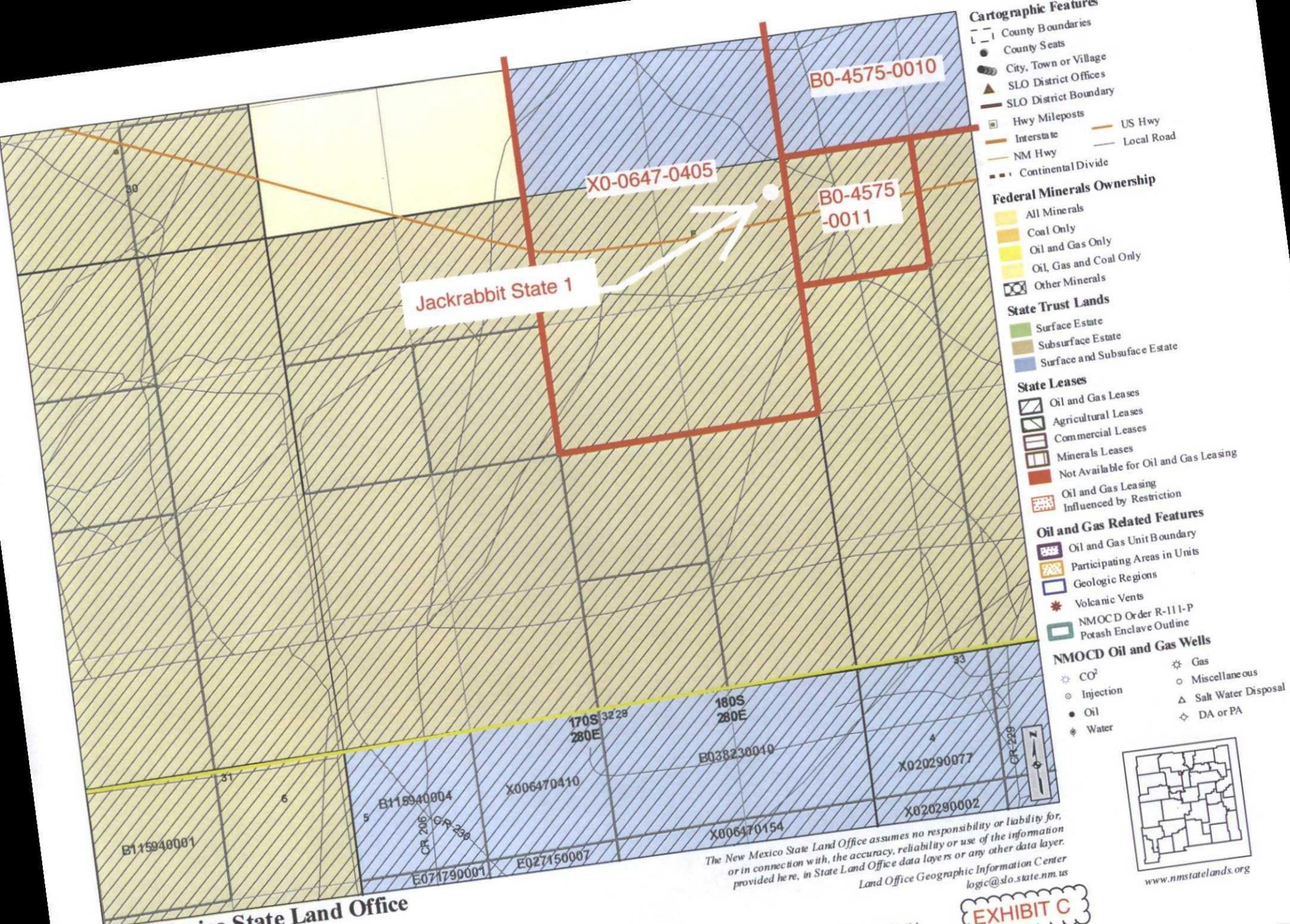
SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.
 Date Surveyed: *July 25, 2014*
 Signature & seal: *TIN C. PAPPAS*
 Professional Surveyor
 Registered Professional Surveyor
 21209
 Certificate No. 21209
 MALFF ASSOC., INC. 29976-W031

SURFACE LOCATION
 Lot - N 32°47'49.78"
 Long - W 104°11'24.22"
 NMSPC-E 853771.0
 (NAD-83)
 Lot - N 32°47'49.38"
 Long - W 104°11'22.38"
 NMSPC-E 853708.0
 (NAD-83)
 Lot - N 32°47'49.38"
 Long - W 104°11'22.38"
 NMSPC-E 844182.2
 (NAD-83)

32.797164
104.190061
 SCALE 1"=2000'

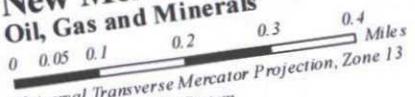
6 AUG 2014

EXHIBIT B



- Cartographic Features**
- County Boundaries
 - County Seats
 - City, Town or Village
 - SLO District Offices
 - SLO District Boundary
 - Hwy Mileposts
 - Interstate
 - NM Hwy
 - Continental Divide
 - US Hwy
 - Local Road
- 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**
- Gas
 - CO₂
 - Injection
 - Oil
 - Water
 - Miscellaneous
 - Salt Water Disposal
 - DA or PA

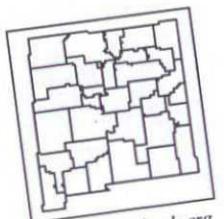
New Mexico State Land Office
Oil, Gas and Minerals



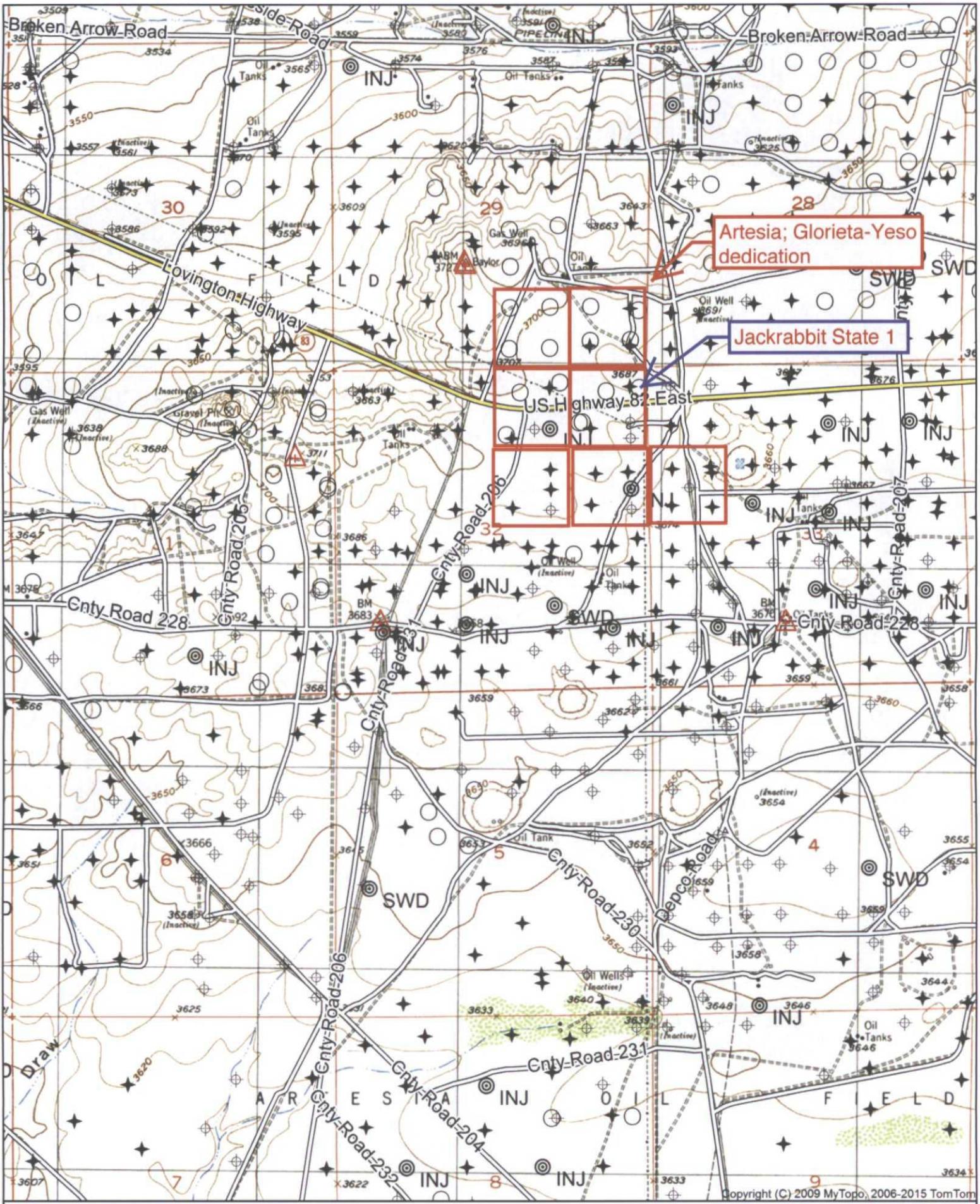
The New Mexico State Land Office assumes no responsibility or liability for, or in connection with, the accuracy, reliability or use of the information provided here, in State Land Office data layers or any other data layer.
 Land Office Geographic Information Center
 logic@slo.state.nm.us

Created On: 2/26/2015 8:12:58 AM

EXHIBIT C



www.nmstatelands.org



Artesia; Glorieta-Yeso dedication

Jackrabbit State 1

Quad: RED LAKE
Scale: 1 inch = 2,000 ft.

EXHIBIT D

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

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

March 21, 2015

NM State Land Office
P. O. Box 1148
Santa Fe NM 87504

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.

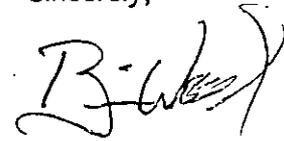
Apache Corporation is applying for NSL approval for its Jackrabbit State 1 oil well. Minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 140' further east than is standard (see attached application). Thus, it is a nonstandard location. The NSL is due to land uses (well and other infrastructure).

Well Name: Jackrabbit State 1 ID: 5,300'
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)
NSL Acreage Dedication: 40 acres (NENE Section 32, T. 17 S., R. 28 E., Eddy County, NM)
on NMSLO lease X0-0647-0405
Location: ~12 air mile west of Loco Hills, NM at 330 FNL & 190 FEL 32-17s-28e
Applicant Name: Apache Corporation (432) 818-1168
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

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MAY 21 2015
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SANTA FE, NM
87508

Sent to
NM 560
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006

EXHIBIT E

March 21, 2015

Atofina Petrochemicals, Inc.
 c/o Total Petrochemicals USA
 1201 Louisiana St., Suite 1800
 Houston TX 77002

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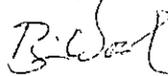
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Please call me if you have any questions.

Sincerely,



Brian Wood

EXHIBITE

March 21, 2015

ConocoPhillips
 P. O. Box 7500
 Bartlesville OK 74005

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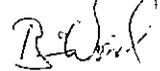
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Please call me if you have any questions.

Sincerely,



Brian Wood

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CONOCO - PH. 11, PS
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4
BARTLESVILLE

McMillan, Michael, EMNRD

From: Brian Wood <brian@permitswest.com>
Sent: Monday, March 23, 2015 3:27 PM
To: McMillan, Michael, EMNRD
Subject: Re: Apache Jackrabbit State Well No. 1

ConocoPhillips & Atofina are the lessees of record in both tracts.
On Mar 23, 2015, at 1:57 PM, McMillan, Michael, EMNRD wrote:

Brian:
Who are the affected parties in the NW/4 NW/4 Section 33?
Who are the affected parties in the SW/4 SW/4 Section 28?

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe NM 87505
O: 505.476.3448 F. 505.476.3462
Michael.mcmillan@state.nm.us