

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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]

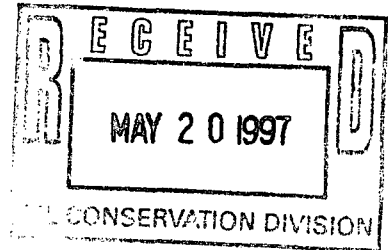
- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

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

Devils Fork Gullup O.I. →

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



[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

BRIAN WOOD Brian Wood Consultant 5-12-97
 Print or Type Name Signature Title Date

SENDER:
 • Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:
 Tribal Oil & Gas Admin
 PO Box 507
 Dulce NM 87528

4a. Article Number: Z 766 606 984

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery: 5/16

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)
 Sylvia D. Wells

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?
 Thank you for using Return Receipt Service.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 BIA
 PO Box 167
 Dulce NM 87528

4a. Article Number: Z 766 606 983

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery: 5/15

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)
 Kenny Harvick

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

SENDER:
 • Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:
 BLM
 435 Montano NE
 Albuquerque, NM

4a. Article Number

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)
 Mary Ann Mathews 5/13/91

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?
 Thank you for using Return Receipt Service.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 BLM
 435 Montano NE
 Albuquerque, NM

4a. Article Number

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)
 Mary Ann Mathews 5/13/91

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402

DOMESTIC RETURN RECEIPT

REQUEST FOR ADMINISTRATIVE APPROVAL FOR NON-STANDARD LOCATION
FOR THE APACHE 18-2 OIL WELL
890' FNL & 1450' FEL SEC. 18, T. 24 N., R. 5 W., RIO ARRIBA COUNTY, NM
BY ELM RIDGE RESOURCES, INC.

- I. The well is on Jicarilla Apache Tribal Trust surface and minerals. The location was approved by OCD on August 8, 1995 under Administrative Order NSP-1735. It was subsequently drilled in 1995 as a Basin Dakota well. It was re-completed this spring in a higher Dakota zone and in the Devil's Fork Gallup. The existing location is unorthodox for the Gallup (too close {130' instead of 330'} to the quarter-quarter line). A Sundry Notice, Completion Report, C-104, and C-107-A are attached.
- II. A C-102 showing the well location, proration unit (NE4 of Sec. 18 which totals 160 acres), and lease (all of Sections 7, 8, 17, & 18; T. 24 N., R. 5 W. which totals \approx 2,560 ac.) are attached.
- III. According to NM Oil Conservation Records, there is no Devil's Fork Gallup production within a mile radius. A composite copy of the Otero Store and Tafoya Canyon 7.5' USGS maps is attached showing the existing well (star), Devil's Fork Gallup spacing units (thin solid lines), and lease (thick solid line). There is only one lease (BIA #69) within a minimum 3,830' radius. It comprises all of Sections 7, 8, 17, & 18; T. 24 N., R. 5 W. Elm Ridge is the operator of all oil and gas interests in the lease from the base of the Pictured Cliffs to basement. Royalty rates are the same for both the Gallup and Dakota.
- IV. A composite copy of the Otero Store and Tafoya Canyon 7.5' USGS maps is attached. The existing well is marked by a star. Devil's Fork Gallup proration unit (quarter section) is marked by a solid line. Quarter-quarter lines are dashed corners. Floyd Oil does have its Apache #5 well at 1650 FNL & 990 FEL which would be orthodox. However, it has only been drilled to 2,325' (Gallup starts at 5,455').
- V. Jicarilla Apache Tribe wants to minimize disturbance (there are at least 13 active wells within a mile radius).

VI. No archaeology sites were found.

VII. Surface conditions are not an issue, other than the desire to minimize the amount of disturbance.

VIII. Directional drilling is not feasible because it is not cost effective.

IX. I hereby certify that notice has been sent to the following lessees, lessors, surface management agencies, operators of spacing units, or owners of undrilled leases which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct:

Jicarilla Apache Tribe
Bureau of Indian Affairs
Bureau of Land Management

Brian Wood Consultant 5-12-97

Signature, Title, & Date

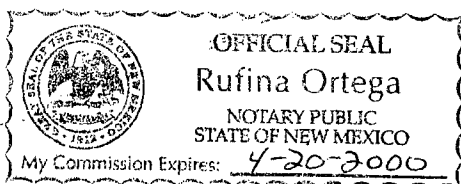
STATE OF New Mexico)
COUNTY OF Santa Fe) SS:

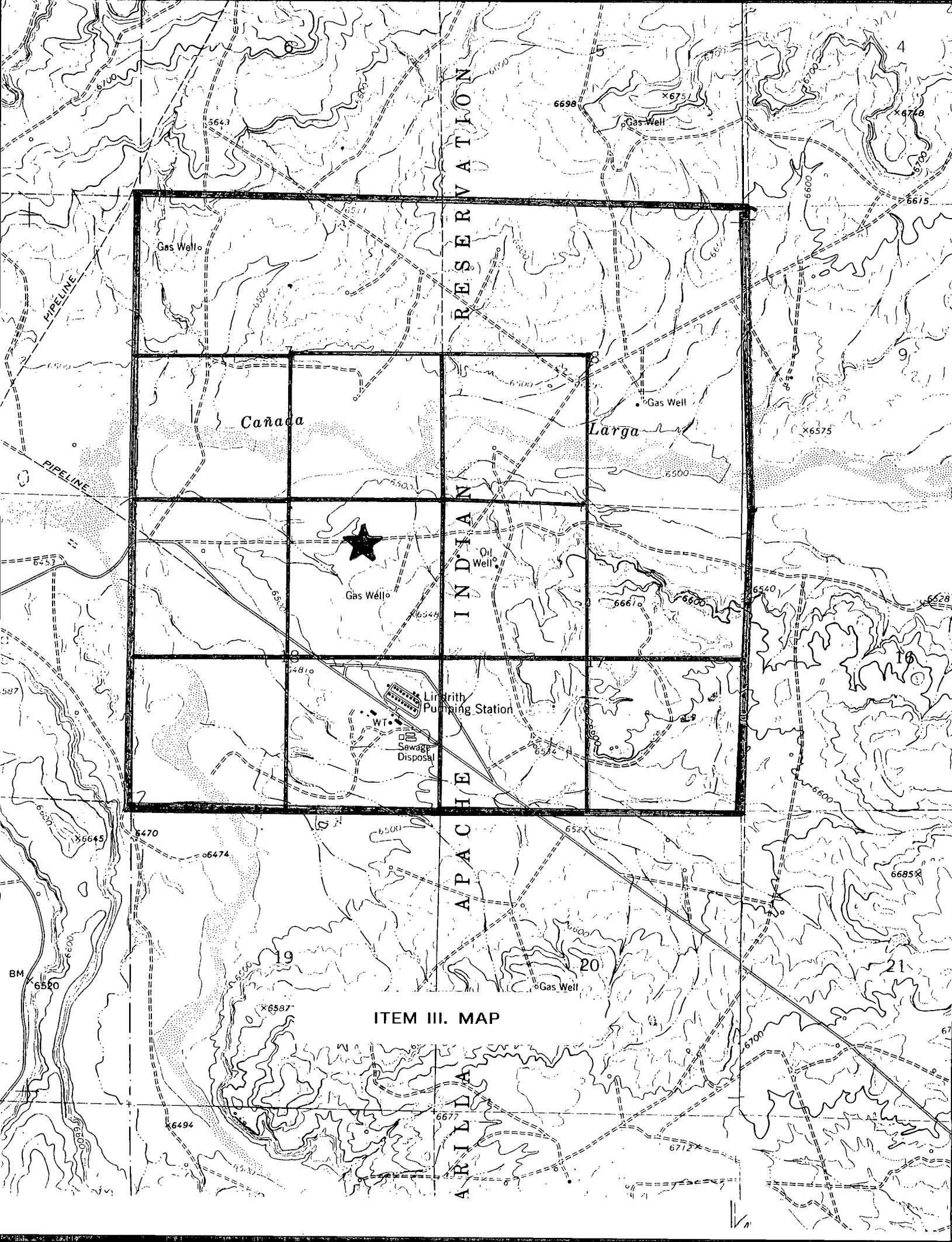
The foregoing instrument was acknowledged before me this 12th day of May,
1997 by Brian Wood. Witness my hand and official seal.

Rufina Ortega
Notary Public

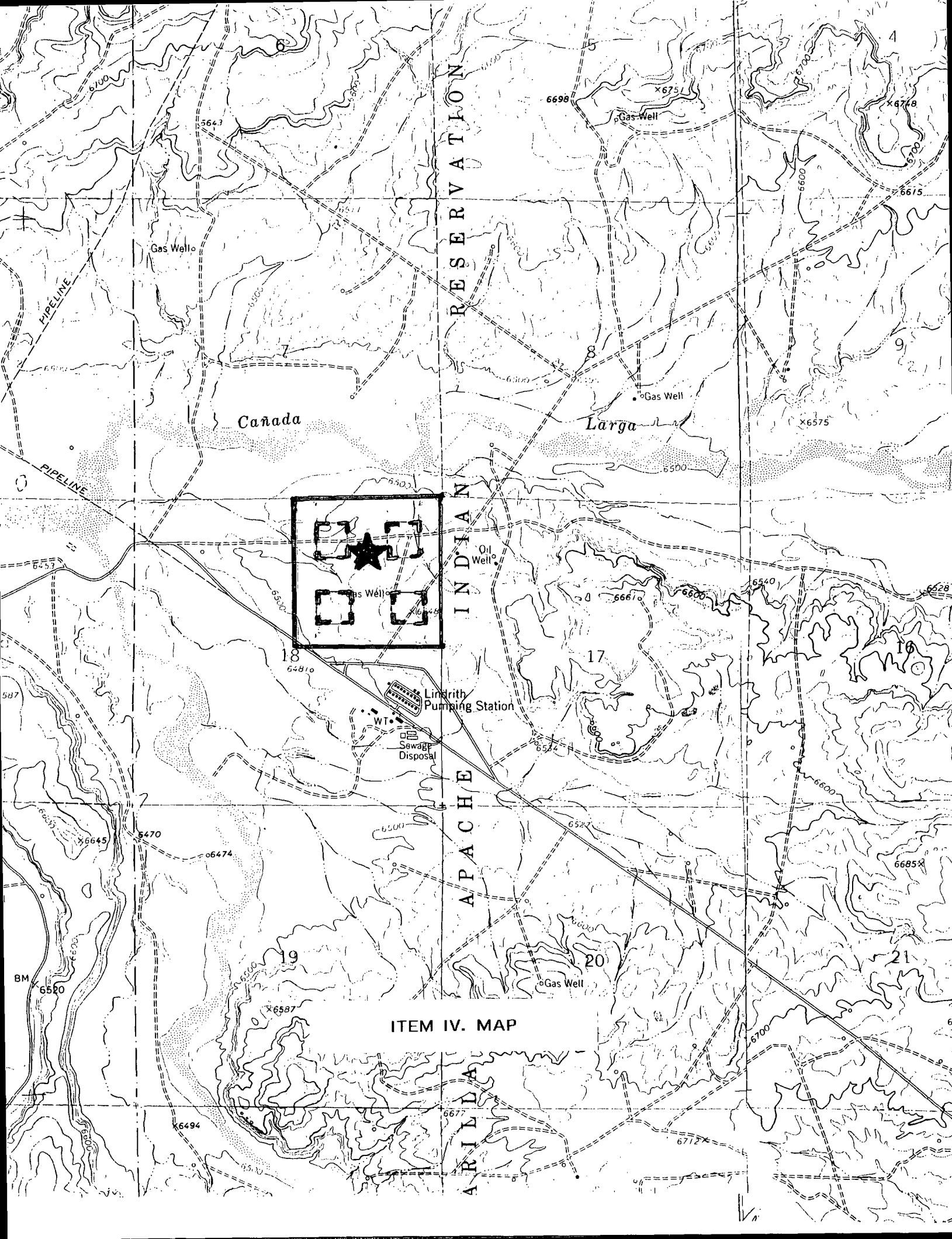
My Commission Expires: 4-20-2000

Business Address: 1 Hacienda Loop - Santa Fe, N.M. - 87505





ITEM III. MAP

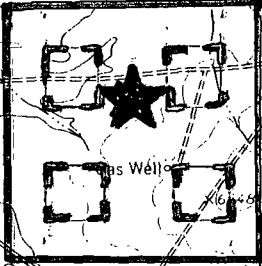


INDIAN RESERVATION
APACHE
ARIZONA

Canada

Larga

ITEM IV. MAP



Lindrith Pumping Station

Sewage Disposal

WT

Gas Well

Gas Well

Gas Well

Gas Well

Oil Well

Gas Well

BM 6580

PIPELINE

PIPELINE

6643

6698

X675

X4748

6615

X6575

6453

6500

6667

6600

6540

6528

18

17

16

X6645

6470

6474

6500

6527

6600

6685

X6587

6600

6700

6494

6677

6712

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
BIA #69

6. If Indian, Allottee or Tribe Name
Jicarilla Apache

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Apache 18-2

9. API Well No.
30-039-25548

10. Field and Pool, or Exploratory Area
Bas Dak & Dev Frk Gall

11. County or Parish, State
Rio Arriba, NM

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Elm Ridge Resources, Inc. (214) 696-8090

3. Address and Telephone No.
4925 Greenville Ave., Suite 1305, Dallas, Tx. 75206

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**Surface: NWNE 18-24n-5w
BHL: Same**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Non-Standard Location & Commingle
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Elm Ridge has re-completed its Apache 18-2 Basin Dakota gas well and is applying to produce from, and commingle with, the Devil's Fork Gallup oil zone. The wellbore is less than the standard 330' from a quarter-quarter line. It is 3,830' from the closest lease line (west line of T. 24 N., R. 5 W.). State and Federal forms are attached.

cc: BIA, BLM (&OCD), Elm (D&F), Tribe

14. I hereby certify that the foregoing is true and correct

Consultant (505) 466-8120

5-12-97

Signed

Title

Date

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.
BIA #69

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Apache

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
Apache 18-2

9. APIWELL NO.
30-039-25548

10. FIELD AND POOL, OR WILDCAT
Bas Dak & Dev Frk Gall

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
18-24n-5w NMPM

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR Other _____

2. NAME OF OPERATOR
Elm Ridge Resources, Inc. (214) 696-8090

3. ADDRESS AND TELEPHONE NO.
4925 Greenville Ave., Suite 1305, Dallas, Tx. 75206

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **890' FNL & 1450' FEL**

At top prod. interval reported below **Same**

At total depth **Same**

14. PERMIT NO. **30-039-25548** DATE ISSUED _____

15. DATE SPUNDED **9-30-95** 16. DATE T.D. REACHED **10-10-95** 17. DATE COMPL. (Ready to prod.) **5-7-97** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **6,502' KB** 19. ELEV. CASINGHEAD _____

20. TOTAL DEPTH, MD & TVD **6,758' (KB)** 21. PLUG, BACK T.D., MD & TVD **6,712' (KB)** 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS **All** CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
5,455' - 5,729' (Dev. Frk. Gall.) & 6,590' - 6,600' (Up. Dakota) 25. WAS DIRECTIONAL SURVEY MADE **Yes**

26. TYPE ELECTRIC AND OTHER LOGS RUN **Compensated Neutron/Density, Dual Induction** 27. WAS WELL CORRED **No**

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24	235' KB	12-1/4"	170 sx & to surface	
4-1/2"	10.5	6,758' KB	7-7/8"	1946 sx & to surface	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	6,617' KB	

31. PERFORATION RECORD (Interval, size and number)

Perforated Upper Dakota with 4 shots/foot
OD=0.41". Formation broke down @ 2876#
ATP 2740#, AIR 40 BPM, ISIP 2150#

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6,590' - 6,600'	34,000 gal 30# linked gel
	25 ton 20/40 Ottawa sand
	500 gal. 15% HCl

33. PRODUCTION

DATE FIRST PRODUCTION **5-2-97** PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) **Piston** WELL STATUS (Producing or shut-in) **Shut in**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5-2-97	3 hr	3/4"	→	.125	13.3	.83*	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
1,337	1,337	→	1	80	5*	>50 ⁰

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **Sold. SI awaiting C-107-A approval.** TEST WITNESSED BY **D. Endsley**

35. LIST OF ATTACHMENTS
Logs forwarded by Halliburton. *frac water only

38. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED *Brian Wood* TITLE **Consultant** DATE **5-12-97**

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

GEOLOGIC MARKERS

38.

FORMATION TOP BOTTOM DESCRIPTION, CONTENTS, ETC. NAME MEAS. DEPTH TOP TRUE VERT. DEPTH

Devil's Fork Gallup completion data

Perforation Interval: 5,455' to 5,729'
 Total Perforations: 49 (intermittent)
 Perforation Diameter: 0.41"

Formation Broke: 3,000 psi
 Average Treat. Pressure: 2,696 psi
 Average Injection Rate: 34 bpm
 Initial Shut-in Pressure: 2,055 psi

Treated with ...
 2 MMcf standard 70 quality foam
 100 ton 20/40 sand
 34,000 gal 30# gel
 200 bbl 15% HCl

Test Length: 24 hours
 Tubing Pressure: 70 psi
 Casing Pressure: 530 psi
 Oil: 20 bopd
 Gas: 57 Mcfd (AOF: 456 Mcfd)
 Water: 9 bwpd (returned frac water)

Disposition ...
 Gas: Vented (Now SI)
 Oil: Stored on site in tank

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Grande Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Revised February 21, 1997
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-039-25548		' Pool Code 17610		' Pool Name DEVIL'S FORK GALLUP	
' Property Code 17632		' Property Name Apache			' Well Number 18-2
' OGRID No. 149052		' Operator Name Elm Ridge Resources Inc.			' Elevation 6497'

10 Surface Location

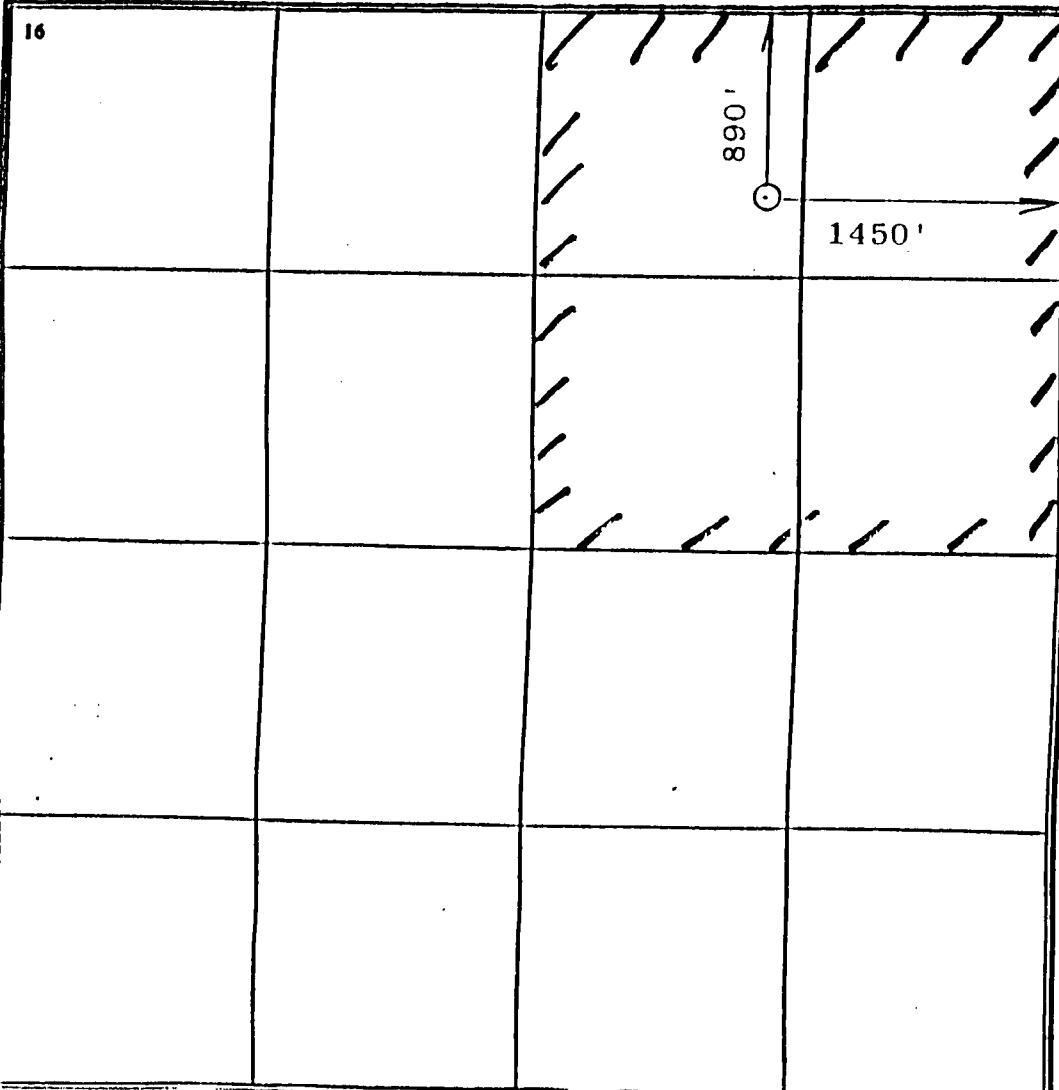
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	18	24 N	5 W		890	North	1450	East	Rio Arriba

11 Bottom Hole Location If Different From Surface

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

' Dedicated Acres	' Joint or Infill	' Consolidation Code	' 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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Brian Wood
Brian Wood

Signature

Printed Name
Brian Wood

Title
Consultant

Date
July 21, 1995

Date
May 12, 1997

18 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 of Survey

Signature
 Seal of Gerald B. Huddles
 8844

Gerald B. Huddles

6844
 Certificate Number

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
District III
1800 Rio Bravo Rd., Alamogordo, NM 87418
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address Elm Ridge Resources, Inc. (214)696-8099 4925 Greenville Ave. Ste.1305 Dallas, Texas 75206		OCRID Number 149052
		Reason for Filing Code New zone comp.
API Number 30-0 3925548	Well Name Devils Fork Gallup	Well Code
Property Code 17632	Property Name Apache	Well Number 18-2

II. Surface Location

UL or lot no.	Section	Township	Range	Lot/Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
B	18	24N	5W	NWNE	890	North	1450	East	RA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot/Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
J	Piston								

III. Oil and Gas Transporters

Transporter OCRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
009018	Giant Refining 5764 Hwy. 64 Farm. NM 87401		O	
007057	EPNG P.O.Box 4990 Farm. NM 87499		G	

IV. Produced Water

POD	POD ULSTR Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PSTD	Perforations
9-30-95	5-7-97	6758'	6712'	5455' - 5729'
Hole Size	Casing & Tubing Size	Depth Set	Seals Cement	
12-1/4"	8-5/8"	235'	170sx to surface	
7-7/8"	4-1/2"	6758'	652sx (stage 1)	
Ditto	Ditto	Stage Tool @ 4560	1294sx (stage 2)	
4-1/2"	2-3/8"	6617'	SN @ 6573'	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Thy. Pressure	Cap. Pressure
5/2/97	on approval	5/2/97	24 hrs.	70	530
Well Size	bopd	blw	Flow	ADP	Test Results
3/4"	20 bopd	9 blw	57 mcfg	456 mcfgpd	flowing

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Doug Endsley*
Printed name: Doug Endsley
Title: Operations Manager
Date: 5/7/97
Phone: 505-326-7099

OIL CONSERVATION DIVISION
Approved by: _____
Title: _____
Approval Date: _____

* If this is a change of operator fill in the OCRID number and name of the previous operator.

Previous Operator Signature	Printed Name	Title	Date

District I
PO Box 1908, Hobbs, NM 88241-1908
District II
PO Drawer DD, Artesia, NM 88211-9719
District III
1000 Rio Bravo Rd., Alamogordo, NM 87410
District IV
PO Box 2400, Santa Fe, NM 87504-2400

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address Elm Ridge Resources, Inc. (214) 696-8090 4925 Greenville Ave. Ste. 1305 Dallas, Texas 75206		DGRID Number 149052
		Reason for Filing Code New Zone Comp.
API Number 30-0 3925548	Pool Name Basin Dakota	Pool Code 71599
Property Code 17632	Property Name Apache	Well Number 18-2

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South Line	Feet from the	East/West Line	County
B	18	24N	5W	NWNE	890	North	1450	East	RA

Bottom Hole Location

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

Lee Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date
J	F				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
009018	Giant Refining 5764 Hwy. 64 Farm. NM 87401		O	
007057	EPNG P.O. Box 4990 Farm. NM 87499		G	

IV. Produced Water

POD	POD ULSTR Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PSTD	Perforation
9-30-95	5-7-97	6758'	6712'	6590'-6600'
Well Size	Casing & Tubing Size	Depth to	Seals Cement	
12-1/4"	8-5/8"	235'	170ax to surface	
7-7/8"	4-1/2"	6758'	652ax (stage 1)	
Ditto	Ditto	Stage Tool @ 4560'	1294sx (stage 2)	
4-1/2"	2-3/8"	6617'	SN @ 6573'	

VI. Well Test Data

Date New OIL	Gas Delivery Date	Test Date	Test Length	Thy. Pressure	Csg. Pressure
5/2/97	on approval	5/2/97	3 hrs.	1337	1337
Flow Rate	Flow	Flow	Flow	AUP	Test Method
3/4"	1bo	5 blw	80 mcf	640 mcf/g	flow

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Doug Endsley*
Printed name: Doug Endsley
Title: Operations Manager
Date: 5/7/97 Phone: 505-326-7099

OIL CONSERVATION DIVISION
Approved by:
Title:
Approval Date:

* If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date

DISTRICT I
 P.O. Box 1890, Hobbs, NM 88241-1890
 DISTRICT II
 811 Beach Front St., Artesa, NM 88210-2835
 DISTRICT III
 1000 New Bravery Rd., Artesa, NM 87410-1893

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-107-A
 New 3-12-98

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

2040 S. Pacheco
 Santa Fe, New Mexico 87505-8429

Administrative Hearing

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

YES NO

Elm Ridge Resources, Inc. 312 W. La Plata Farmington, New Mexico 87401

Operator: Apache Well No. 18-2 Unit Lit.: Sec.: Twp.: Rge. B-18-T24N-R5W Spacing Unit Lease Types: (check 1 or more) Rio Arriba County

OGND NO. 149052 Property Code 17632 API NO. 8003925548 Federal State (transfer Fee)

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Devils Fork Gallup	Basin Dakota	Basin Dakota
2. Top and Bottom of Pay Section (Perforations)	5455'-5729'	6590'-6600'	6618'-6638'
3. Type of production (Oil or Gas)	Oil w/assoc. gas	Gas w/some cond.	Gas w/some cond.
4. Method of Production (Flowing or Artificial Lift)	PISTON	PISTON	PISTON
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 1250	b. 1337	b. 1337
	b. (Original) 1250	b. 1360	b. 1360
6. Oil Gravity (^o API) or Gas STU Content	42	53	53
7. Producing or Shut-In?	Shut in pending approval	Shut in pending approval	Shut in pending approval
Production Marginal? (yes or no)	no	no	no
* If Shut-in, give date and oil/gas/water rates of last production <small>Note: For zones with no production history, applicant shall be required to attach production estimates and supporting data.</small>	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 90 days)	Date: 5/2/97 Rates: 57 mcfg 20 bo	Date: 5/2/97 Rates: 80 mcfg 1bo	Date: 5/2/97 Rates: 140 mcfq .5 bo
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 93 % Gas: 21 %	Oil: 5 % Gas: 29 %	Oil: 2 % Gas: 50 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
 If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
 Have all offset operators been given written notice of the proposed downhole commingling? Yes No
11. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each other? Yes No
13. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes No
15. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).

16. ATTACHMENTS:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support allocation method or formula.
 - Notification list of all offset operators.
 - Notification list of working, overriding, and royalty interests for uncommon interest cases.
 - Any additional statements, data, or documents required to support commingling.

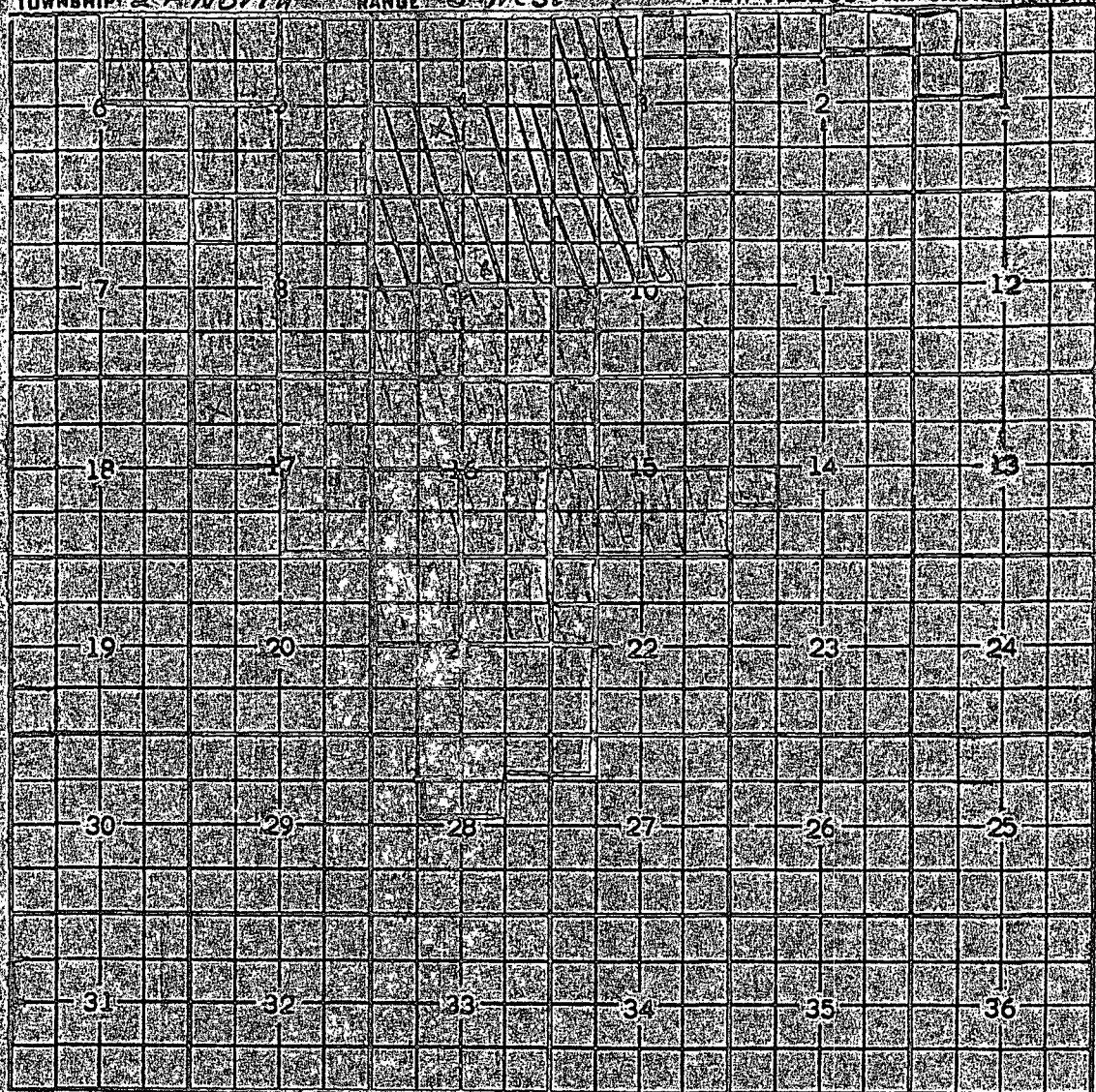
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Doug Endsley TITLE Operations Man DATE 5/7/97

TYPE OR PRINT NAME Doug Endsley TELEPHONE NO. (505) 326-7099

County Rio Arriba Pool Otero - Gallup Oil

TOWNSHIP 24 North RANGE 5 West NEW MEXICO PRINCIPAL MERIDIAN



Description: NW 1/4 Sec 5, NW 1/4 Sec 6 (R-1119, 2-1-58)
Ext: NW 1/4 NE 1/4 Sec 5 (R-1247, 10-1-58) SW 1/4 Sec 5, NW 1/4 NE 1/4 Sec 2 (R-1489, 10-1-59)
Ext: SW 1/4 NE 1/4 NE 1/4 Sec 3, NW 1/4 Sec 17 (R-1858, 2-1-61) - 1/2 Sec 8;
NW 1/4 SW 1/4 Sec 9 (R-1908, 4-1-61) - 1/4 Sec 16, E 1/2 Sec 17; NW 1/4 Sec 21 (R-2570, 10-1-63)
Ext: SE 1/4 Sec 16, NE 1/4 Sec 21, NW 1/4 Sec 22 (R-2580, 11-1-63) - NW 1/4 Sec 15;
NW 1/4 Sec 16 (R-2676, 1-1-64) - 1/2 Sec 3, All Sec 4, SE 1/4 NE 1/4 NE 1/4 Sec 5;
Ext: NE 1/4 SW 1/4 Sec 9, NW 1/4 SW 1/4 NE 1/4 NW 1/4 Sec 10 (R-4260, 3-1-77)
Ext: 1/2 Sec 15 (R-5339, 2-1-77) Ext. NW 1/4 SW 1/4 Sec 14, SW 1/4 Sec 21
NE 1/4 SW 1/4 Sec 19 (R-6056, 8-1-79) Ext. NW 1/4 NE 1/4 Sec 2 (R-6327, 5-1-80)
Ext: NW 1/2 NW 1/4 & SE 1/4 NW 1/4 sec 1, NW 1/2 NE 1/4 sec 2 (R-6886, 1-22-82)
Ext: NE 1/4 NE 1/4 sec 1 (R-7046, 8-6-82) Ext. SE 1/4 sec 9, SW 1/4 SW 1/4 sec 10, NW 1/4 NW 1/4 sec 22 (R-7185, 1-15-83)
Delete: NW 1/2 Sec 3, 1/2 Sec 4, NW 1/2 Sec 9, NW 1/4 and SW 1/4 NE 1/4 Sec 10 (R-8106, 12-26-85)
Ext: SE 1/4 Sec 21, NW 1/4 Sec 22, NW 1/4 NW 1/4 Sec 27, NW 1/4 NE 1/4 SW 1/4 NE 1/4 and SE 1/4 NW 1/4 (R-8973, 1-23-88)
Sec 28