

NR M0824946833

C-103 Received 8-20-2008  
DHC No. Assigned 9-4-2008

Order Number

HOB-0262

API Number

30-025-38660

Operator

Apache Corporation

County

Lea

Order Date

Well Name

Magnolia

Number

001

Location

E

UL

11

Sec

20S

T (+Dir)

38E

R (+Dir)

Pool 1

33230

House Blinebry

Oil %

44%

Gas %

84%

Pool 2

78760

House Tubb

56%

16%

Pool 3

Pool 4

Comments:

Posted to  
R/B DM &  
9-5-2008

B

30-025-38660

HOB-0262

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Apache Corporation

PROPERTY NAME: Magnolia

WNULSTR: 1-E, 11-205-38E

SECTION I:		ALLOWABLE AMOUNT	
33230	POOL NO. 1 <u>House Blinebry</u>	<u>142</u>	<u>284</u> MCF 2000
78960	POOL NO. 2 <u>House Tubb</u>	<u>142</u>	<u>284</u> MCF 2000
	POOL NO. 3 _____	_____	_____ MCF
	POOL NO. 4 _____	_____	_____ MCF
		POOL TOTALS <u>284</u>	<u>568</u>

SECTION II:		Oil	Gas
POOL NO. 1	<u>House Blinebry</u>	<u>44%</u>	<u>84%</u>
POOL NO. 2	<u>House Tubb</u>	<u>56% X 284 = 159.04</u>	<u>16%</u>
POOL NO. 3	_____		
POOL NO. 4	_____		

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>142 ÷ 56% = 253.572 (254)</u>	_____
SECTION IV:	<u>254 X 44% = 111.76 (112)</u>	_____
	<u>254 X 56% = 142.24 (142)</u>	_____
	_____	_____
	_____	_____

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 20 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

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

WELL API NO. 30-025-38660
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. N/A
7. Lease Name or Unit Agreement Name Magnolia
8. Well Number 001
9. OGRID Number 00873
10. Pool name or Wildcat House; Blinebry/House; Tubb

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
Apache Corporation

3. Address of Operator 6120 S Yale Ave, Suite 1500  
Tulsa, OK 74136-4224

4. Well Location  
 Unit Letter E : 1650 feet from the North line and 990 feet from the West line  
 Section 11 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3584' GR

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Request DHC: Blinebry/Tubb <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to Division Order R-11363

Pool Names: House; Blinebry 33230  
 House; Tubb 78760

Perforations:

BLINEBRY 6048-52, 6110-14, 6190-94, 6317-21, 6342-46, 6426-30' 2 JSPF  
 TUBB 6558-62, 6662-66, 6684-88, 6732-36, 6770-74, 6840-44' 2 JSPF

The allocation method will be as follows: Test 25 BO X 195 MCF X 50 BW

Blinebry	11 BO	44%	163 MCF	84%	41 BW	82%
Tubb	14 BO	56%	32 MCF	16%	9 BW	18%
TOTAL	25 BO	100%	195 MCF	100%	50 BW	100%

Downhole commingling will not reduce the value of these pools.  
 Ownership is the same for each of these pools.

DHC Order No: HOB-0262

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE Sophie Mackay TITLE Engineering Tech DATE 08/18/2008

or print name Sophie Mackay E-mail address: sophie.mackay@apachecorp.com Telephone No. (918)491-4864

For State Use Only

SEP 04 2008

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

DISTRICT I  
1625 N. FRENCH DR., HOBBS,

**RECEIVED**

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II  
W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

DISTRICT III  
1000 Rio Brazos Rd., Artesia, NM 88210

**HOBBS OIL**

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-38660	Pool Code 33230	Pool Name House; Blinebry
Property Code 36908	Property Name MAGNOLIA	Well Number 1
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3584'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	20-S	38-E		1650	NORTH	990	WEST	LEA

Bottom Hole Location 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.						

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

<p>1650'</p> <p>990'</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=580574.0 N X=872424.5 E</p> <p>LAT.=32.590284" N LONG.=103.124171" W</p> <p>LAT.=32°35'25.02" N LONG.=103°07'27.01" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sophie Mackay</i> 7/3/08 Signature Date</p> <p>Sophie Mackay Printed Name</p>
		<p><b>SURVEYOR CERTIFICATION</b></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>DECEMBER 14 2007 Date Surveyed LA</p> <p>Signature &amp; Seal of Professional Surveyor <i>Ronald J. Eidson</i> 12/19/07</p> <p>07.11.1732</p> <p>Certificate No. ERIC ARNOLDSON 12641 RONALD J. EIDSON 3239</p>

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240

**RECEIVED**

State of New Mexico  
Geology, Minerals and Natural Resources Department

DISTRICT II  
1001 W. GRAND AVENUE, ARTESIA, NM 88210

**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 88010

**HOBBS OIL**

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AMENDED REPORT

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Property Code 36908	Property Name MAGNOLIA	Well Number 1
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3584'

**Surface Location**

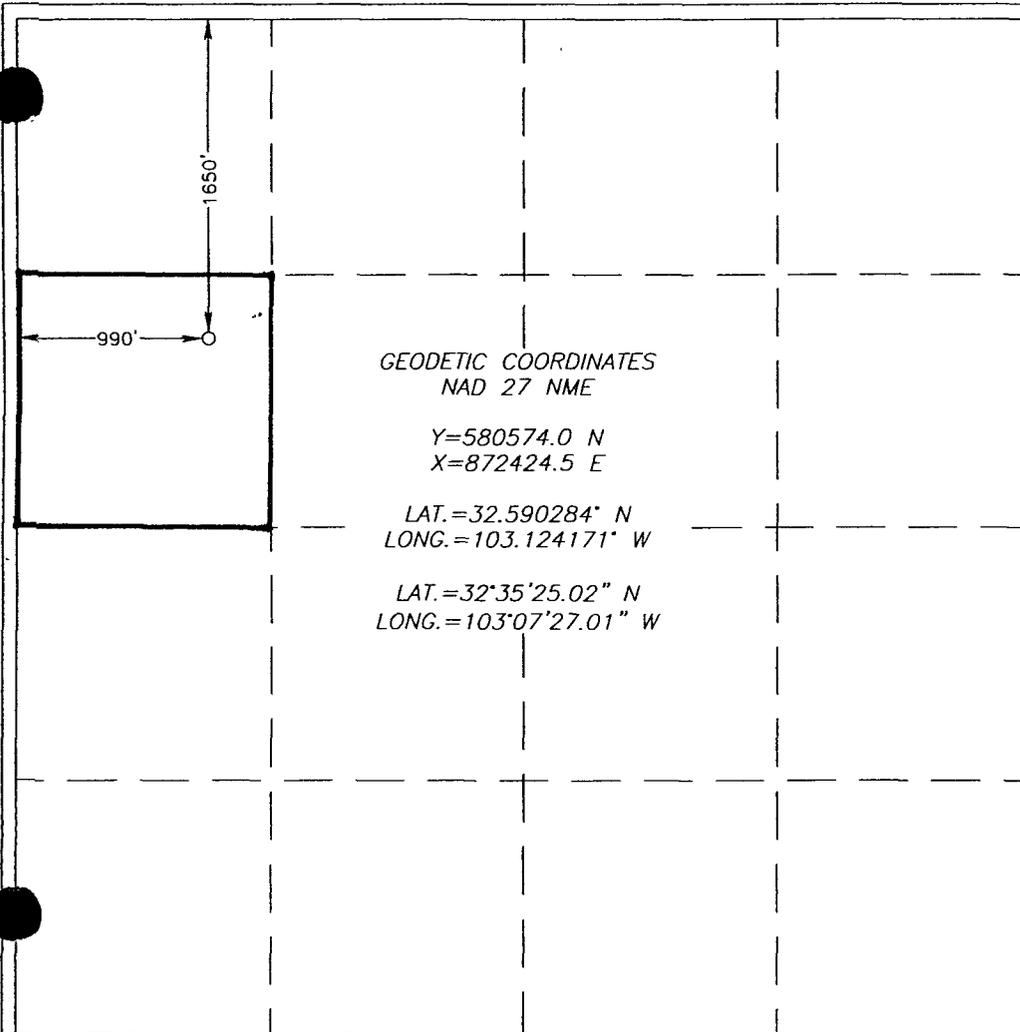
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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**OPERATOR CERTIFICATION**

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*Sophie Mackay* 8/18/08  
Signature Date  
Sophie Mackay  
Printed Name

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**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.

DECEMBER 12, 2007  
Date Surveyed  
Signature & Seal of Professional Surveyor  
3239  
*Ronald J. Eidson* 12/19/07  
Certificate No. RONALD J. EIDSON 12641  
RONALD J. EIDSON 3239