

Order Number
DAC
HOB-0340

API Number
30-025-39450

Operator
Apache Corp

County
Lea/Fee

Order Date
10/23/09

Well Name
L & M

Number
002

Location
UL 2 205 38e
T (+Dir)
R (+Dir)

Pool 1
33230

House Blinberry

Oil %
14

Gas %
19

WTR %
30

Pool 2
78760

House Tubb

Oil %
10

Gas %
24

WTR %
15

Pool 3
33250

House Drinkard

Oil %
76

Gas %
57

WTR %
55

Pool 4

Comments: Posted RBDN dm

DOWNHOLE COMMINGLE CALCULATIONS:

Api # 30-025-39450
DHC-HOB-0340

OPERATOR: Apache Corp

PROPERTY NAME: L & M

WNULSTR: #2-N, 2-2Ds-38e

SECTION I:

	ALLOWABLE AMOUNT	
POOL NO. 1 <u>House Blinbry</u>	<u>142</u> <u>284</u> MCF	<u>2000</u>
POOL NO. 2 <u>House Tubb</u>	<u>142</u> <u>284</u> MCF	<u>2000</u>
POOL NO. 3 <u>House Drinkard</u>	<u>142</u> <u>284</u> MCF	<u>2000</u>
POOL NO. 4 _____	_____ MCF	
POOL TOTALS <u>426</u> <u>852</u>		

SECTION II:

POOL NO. 1 <u>House Blinbry</u>	<u>0:1</u> <u>14%</u>	<u>Gas</u> <u>19%</u>
POOL NO. 2 <u>House Tubb</u>	<u>10%</u>	<u>24%</u>
POOL NO. 3 <u>House Drinkard</u>	<u>76% x 426 = 323.76</u> <u><324></u>	<u>57%</u>
POOL NO. 4 _____		

OIL

GAS

SECTION III:

76% ÷ 142 = 186.84 <187>

SECTION IV:

<u>14% x 187 = 26.18</u>	_____
<u>10% x 187 = 18.7</u>	_____
<u>76% x 187 = 142.12</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
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

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.)		WELL API NO. 30-025-39450
1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other:		5. Indicate Type of Lease STATE ☐ FEE ☒
2. Name of Operator Apache Corporation		6. State Oil & Gas Lease No. N/A
3. Address of Operator 6120 S Yale Ave, Suite 1500, Tulsa, OK 74136		7. Lease Name or Unit Agreement Name L&M
4. Well Location Unit Letter N : 330 feet from the South line and 1680 feet from the West line Section 2 Township 20S Range 38E NMPM County Lea		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3577' GR		9. OGRID Number 873
		10. Pool name or Wildcat House; Bli, House; Tubb, House; Dri

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

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~~ 70760
~~House; Drinkard~~ 23250

Proposed Perforations

Blinebry 6046' - 6525'
Tubb 6600' - 6843'
Drinkard 7006' - 7120'

The allocation method will be as follows based on offset production (See attached application for exception to Rule 303-C)

	OIL	GAS	WATER
Blinebry	14%	19%	30%
Tubb	10%	24%	15%
Drinkard	76%	57%	55%

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

Spud Date:

10/08/2009

Rig Release Date:

10/16/2009

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

SIGNATURE

Amber Cooke

TITLE Production Engineering Tech

DATE 10/21/2009

Type or print name Amber Cooke

E-mail address: amber.cooke@apachecorp.com

PHONE: 918.491.4968

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

OCT 23 2009

Conditions of Approval (if any):

RECEIVED

OCT 22 2009

HOBBSOCD

OK
5/2/09DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
11885 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39450	Pool Code 33230	Pool Name House; Blinebry
Property Code 303220	Property Name L & M	Well Number 2
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3577'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	38-E		330	SOUTH	1680	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.
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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

LOT 4 39.73 AC.	LOT 3 39.77 AC.	LOT 2 39.79 AC.	LOT 1 39.83 AC.
--------------------	--------------------	--------------------	--------------------

GEODETIC COORDINATES
NAD 27 NME
SURFACE LOCATION

Y=582561.1 N
X=873094.5 E

LAT.=32.595724° N
LONG.=103.121922° W

LAT.=32°35'44.61"N
LONG.=103°07'18.92"W

1680'

330'

OPERATOR CERTIFICATION

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.

Amber Cooke 10/21/09
Signature Date

Amber Cooke
Printed Name

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.

RONALD J. EIDSON
Date Surveyed Signature & Seal of Professional Surveyor

RONALD J. EIDSON
DSS

Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

RECEIVED

OCT 22 2009

HOBBSOCD

OK
5/21/09

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

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

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Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39450	Pool Code 33250	Pool Name House; Drinkard
Property Code 303220	Property Name L & M	Well Number 2
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3577'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	38-E		330	SOUTH	1680	WEST	LEA

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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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LOT 4	LOT 3	LOT 2	LOT 1
39.73 AC.	39.77 AC.	39.79 AC.	39.83 AC.
GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=582561.1 N X=873094.5 E LAT.=32.595724° N LONG.=103.121922° W LAT.=32°35'44.61"N LONG.=103°07'18.92"W			

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Amber Cooke 10/21/09
Signature Date

Amber Cooke
Printed Name

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: 10/21/09
Signature & Seal of Professional Surveyor: *Ronald J. Eidson*

Certificate No. GARY G. EIDSON 12641
RONALD J. EIDSON 3239

RECEIVED

OCT 22 2009

HOBBSOCD

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WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39450	Pool Code 78760	Pool Name House; Tubb
Property Code 303220	Property Name L & M	Well Number 2
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3577'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	38-E		330	SOUTH	1680	WEST	LEA

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Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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Amber Cooke 10/21/09
Signature Date

Amber Cooke
Printed Name

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.

Ronald J. Eidson 10/21/09
Date Surveyed Signature & Seal of Professional Surveyor

RONALD J. EIDSON 12641
DSS 3239

Lease Name	Well Number	10DIGITAPI	Location	Cum Oil (BBL)			Cum Gas (MCF)			Cum Water (BBL)		
				Blinbry	Tubb	Drnkard	Blinbry	Tubb	Drnkard	Blinbry	Tubb	Drnkard
L D JONES	1	3002507722	1H 20S 38E SE NE	3476	0	0	186180	0	0	5043	0	0
PHILLIPS HOUSE STATE	1	3002507725	2O 20S 38E	0	0	100935	0	0	471023	0	0	25005
STATE U	1	3002507727	2P 20S 38E	0	0	157611	0	0	97687	0	0	184324
ARNOLD A	1	3002507761	11F 20S 38E	0	27025	670	0	1352396	0	0	4442	0
HOUSE B	1	3002507764	11P 20S 38E	0	9855	0	0	118752	0	0	0	0
BLANKENSHIP	1	3002507766	12E 20S 38E	0	0	54657	0	0	16638	0	0	7010
BLANKENSHIP	2	3002507767	12L 20S 38E	3791	0	134312	9124	0	1177187	2063	0	37126
BLANKENSHIP	3	3002507768	12M 20S 38E NE SW SW	4252	8553	39616	26660	45412	2435461	2879	14635	22235
CONE A	1	3002507770	12F 20S 38E	0	16597	206383	0	65480	235977	0	56289	83804
CONE B	1	3002507771	12J 20S 38E	0	0	239833	0	0	591551	0	0	69199
HESTER 12	3	3002507772	12O 20S 38E	0	0	150171	0	0	853402	0	0	32702
HESTER 12	2	3002507773	12N 20S 38E	0	0	82932	0	0	540453	0	0	17896
HESTER 12	1	3002512549	12K 20S 38E	0	0	97448	0	0	457760	0	0	16669
HOWSE C	1	3002522165	11H 20S 38E SE NE	0	0	26370	0	0	143078	0	0	6340
CONE B	2	3002525921	12G 20S 38E	0	0	398	0	0	86772	0	0	1460
WERTA FEDERAL	1	3002527696	35O 19S 38E SW SE	40459	14640	11778	197694	10262	24012	48571	10929	29470
L & M	1	3002528287	2L 20S 38E C S2 SW	0	9140	0	0	127083	0	0	0	0
FRANCES EVELYN	1	3002532163	35N 19S 38E SE SW	5470	0	0	61072	0	0	35070	0	0
PICAYUNE	1	3002534734	11J 20S 38E C NW SE	0	12856	24017	193	63583	369081	0	0	17895
DRESSSEN	1	3002534857	1G 20S 38E C SW NE	2199	0	0	7175	0	0	23039	0	0
HOWSER	1	3002534970	1J 20S 38E C NW SE	1371	0	0	28097	0	0	35934	0	0
MERIT	1	3002535240	11O 20S 38E E2 SW SE	0	9027	0	0	564424	0	0	7350	0
REDTAG	1	3002535333	2J 20S 38E NW NW SE	23459	3936	384	60972	9314	3892	3480	0	0
MERIT II	1	3002535448	11G 20S 38E C SW NE	1485	15873	21816	6848	24740	150566	0	11887	19464
DUKES	1	3002535614	11K 20S 38E E2 NE SW	0	7818	28814	0	38544	120251	0	8390	26341
REDTAG	2	3002535630	2K 20S 38E NE NE SW	13675	0	0	828126	0	0	2484	0	0
DIXIE QUEEN	1	3002536421	11P 20S 38E S2 SE SE	0	6860	0	0	482762	0	0	0	0
WHITE OWL	1	3002536689	2 20S 38E NW NW NW	29580	0	0	109911	0	0	9450	0	0
HESTER 12	6	3002536795	12N 20S 38E SW SE SW	23728	7353	8428	295604	163203	50078	20242	4795	4301
HESTER 12	4	3002536800	12O 20S 38E SW SW SE	14299	3626	3223	248388	90941	82478	30000	0	1771
PLow BOY FEDERAL	1	3002536962	35J 19S 38E NW NW SE	19975	0	0	58990	0	0	0	0	0
ROUND-UP	1	3002537100	35H 19S 38E SW SE NE	0	0	5777	0	0	9331	0	0	0
SALEM	1	3002537316	3A 20S 38E SE NE NE	1638	0	8264	5455	0	24769	2557	0	945
HESTER 12	8	3002538076	12K 20S 38E SW NE SW	10716	2920	2798	109593	69730	44221	7818	8821	3409
HESTER 12	5	3002538211	12P 20S 38E NW SE SE	16621	4620	8651	158147	65948	61479	31425	4884	0
HESTER 12	7	3002538369	12N 20S 38E NE SE SW	4732	5512	2039	40486	38426	21525	13075	6563	7512
MELOT	1	3002538370	11C 20S 38E SW NE NW	3212	4130	1834	33069	25720	14700	15808	15358	14005
BLANKENSHIP	4	3002538397	12L 20S 38E NE NW SW	2020	2172	4816	9176	15416	17122	6937	2869	2153
BLANKENSHIP	5	3002538399	12M 20S 38E SW SW SW	9264	3331	4067	34953	60020	180026	13718	3048	2288
BLANKENSHIP	6	3002538400	12L 20S 38E SW NW SW	5330	3687	825	22301	1122	40375	4779	351	6524
RHINO	2	3002538484	11N 20S 38E SE NE SW	6622	1751	3503	17974	11856	0	0	0	0
MAGNOLIA	1	3002538660	11E 20S 38E NE SW NW	3772	3219	2243	51486	9771	9635	13478	1784	21218
DIXIE QUEEN	2	3002538661	11P 20S 38E NE SE SE	6721	1772	1737	27270	11850	15962	0	0	0
HESTER 12	10	3002538662	12O 20S 38E NE SW SE	2851	58	461	17265	1224	3269	16856	648	1686
HESTER 12	11	3002538663	12P 20S 38E SW SE SE	1007	818	1455	54416	52800	4937	4393	5494	2887
MELOT	2	3002538700	11C 20S 38E NW NE NW	9867	2615	1027	24697	3612	10536	11904	10966	8223
HESTER 12	9	3002538791	12K 20S 38E NE NE SW	1187	775	2409	25797	3826	2754	13680	4236	6945
MAGNOLIA	2	3002539090	11D 20S 38E NE NW NW	559	179	1501	25507	13912	37875	6731	1442	1442
TOTALS				273,338	190,718	1,443,203	2,782,626	3,542,129	8,405,863	381,414	185,181	682,249
AVERAGES				5,695	3,973	30,067	57,971	73,794	175,122	7,946	3,858	14,214

Proposed Allocations	Oil	Gas	Water
Blinebry	14%	19%	31%
Tubb	10%	24%	15%
Drnkard	76%	57%	55%
TOTAL	100%	100%	100%