

Order Number	API Number	Operator	County
DAC 40B-0355	30-025-38004	Apache Corp	Lea / Fee
Order Date	Well Name	Number	Location
1/14/10	DC Hardy	9	20 215 37e
			UL Sec T (+Dir) R (+Dir)
			Gas %
06660	Blinberry DAG <Oil>	28%	81%
60240	Tubb DAG <Oil>	28%	13%
19190	Drinkard	44%	6%

Comments: 1/26/10 Posted REOMS dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHC-HOB-0355  
API # 30-025-38004

OPERATOR: Apache Corp

PROPERTY NAME: DC Hardy

WNULSTR: #9-0, 20-21s-37e

SECTION I:

	ALLOWABLE AMOUNT	
POOL NO. 1 <u>Blinberry O &amp; G (oil)</u>	<u>107</u> <u>428</u> MCF	<u>4000</u>
POOL NO. 2 <u>Tubb O &amp; G (oil)</u>	<u>142</u> <u>284</u> MCF	<u>2000</u>
POOL NO. 3 <u>Drinkard</u>	<u>142</u> <u>852</u> MCF	<u>6000</u>
POOL NO. 4 _____	_____ MCF	

POOL TOTALS 391

1564

SECTION II:

POOL NO. 1 <u>Blinberry O &amp; G (oil)</u>	<u>0.1</u>	<u>GAS</u>
	<u>28%</u>	<u>81%</u>
POOL NO. 2 <u>Tubb O &amp; G (oil)</u>	<u>28%</u>	<u>13%</u>
POOL NO. 3 <u>Drinkard</u>	<u>44% x 391 = 172.04</u>	<u>6%</u>
POOL NO. 4 _____		

OIL

GAS

SECTION III:

44% ÷ 142 = 322.73 (323) \_\_\_\_\_

SECTION IV:

<u>28% x 323 = 90.44</u>	_____
<u>28% x 323 = 90.44</u>	_____
<u>44% x 323 = 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  
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OIL CONSERVATION DIVISION  
JAN 11 2010  
220 South St. Francis Dr.  
Santa Fe, NM 87505  
**HOBBSD**

Form C-103  
June 19, 2008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 30-025-38004 ✓
1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> ✓
2. Name of Operator Apache Corporation		6. State Oil & Gas Lease No. NA
3. Address of Operator 6120 S Yale Ave, Suite 1500 Tulsa, OK 74136		7. Lease Name or Unit Agreement Name D C Hardy ✓
4. Well Location Unit Letter O : 410 feet from the South line and 2310 feet from the East line Section 20 Township 21S Range 37E NMPM County Lea ✓		8. Well Number 9 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc ) 3484' GL		9. OGRID Number 873 ✓
		10. Pool name or Wildcat Blinebry O&G (Oil), Tubb O&G (Oil), Drinkard

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"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
OTHER: Request DHC Blinebry-Tubb-Drinkard <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

This well is currently producing from the Drinkard. Apache is approved to complete the Blinebry and Tubb zones Therefore, Apache proposes to downhole commingle the following zones after completion Pursuant to Division Order R-11363

Pool Names:	Proposed Perforations.
✓ Blinebry Oil & Gas (Oil) 6660	Blinebry 5590' - 6120'
✓ Tubb Oil & Gas (Oil) 60240	Tubb 6124' - 6450'
✓ Drinkard 19190	Drinkard 6580' - 6698' (Existing perfs)

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

	OIL	GAS	WATER
Blinebry	28%	81%	20%
Tubb	28%	13%	20%
Drinkard	44%	6%	60%

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

Spud Date:

Rig Release Date:

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

SIGNATURE

*Amber Cooke*

TITLE Engineering Tech

DATE 01/07/2010

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

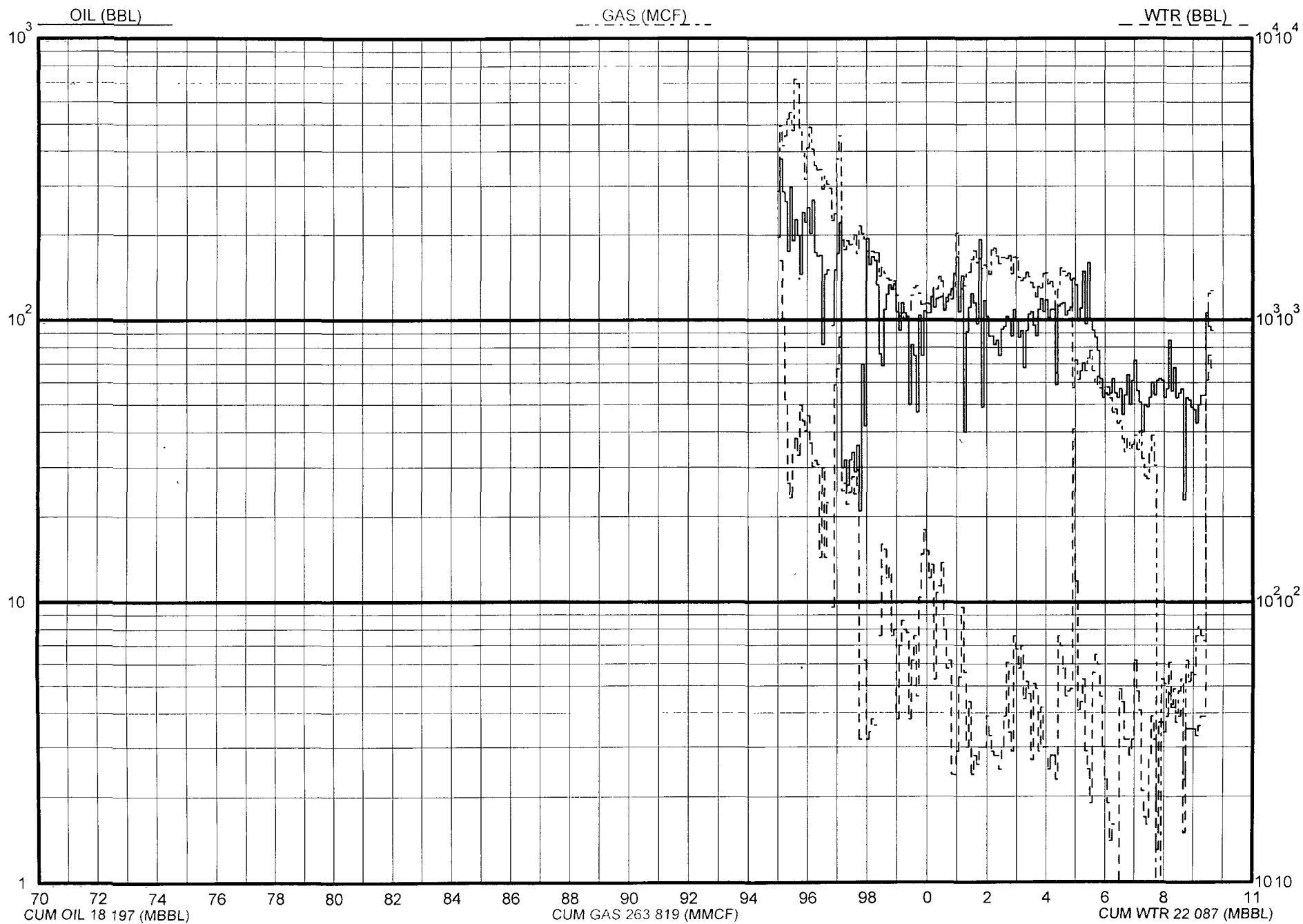
DATE

JAN 14 2010

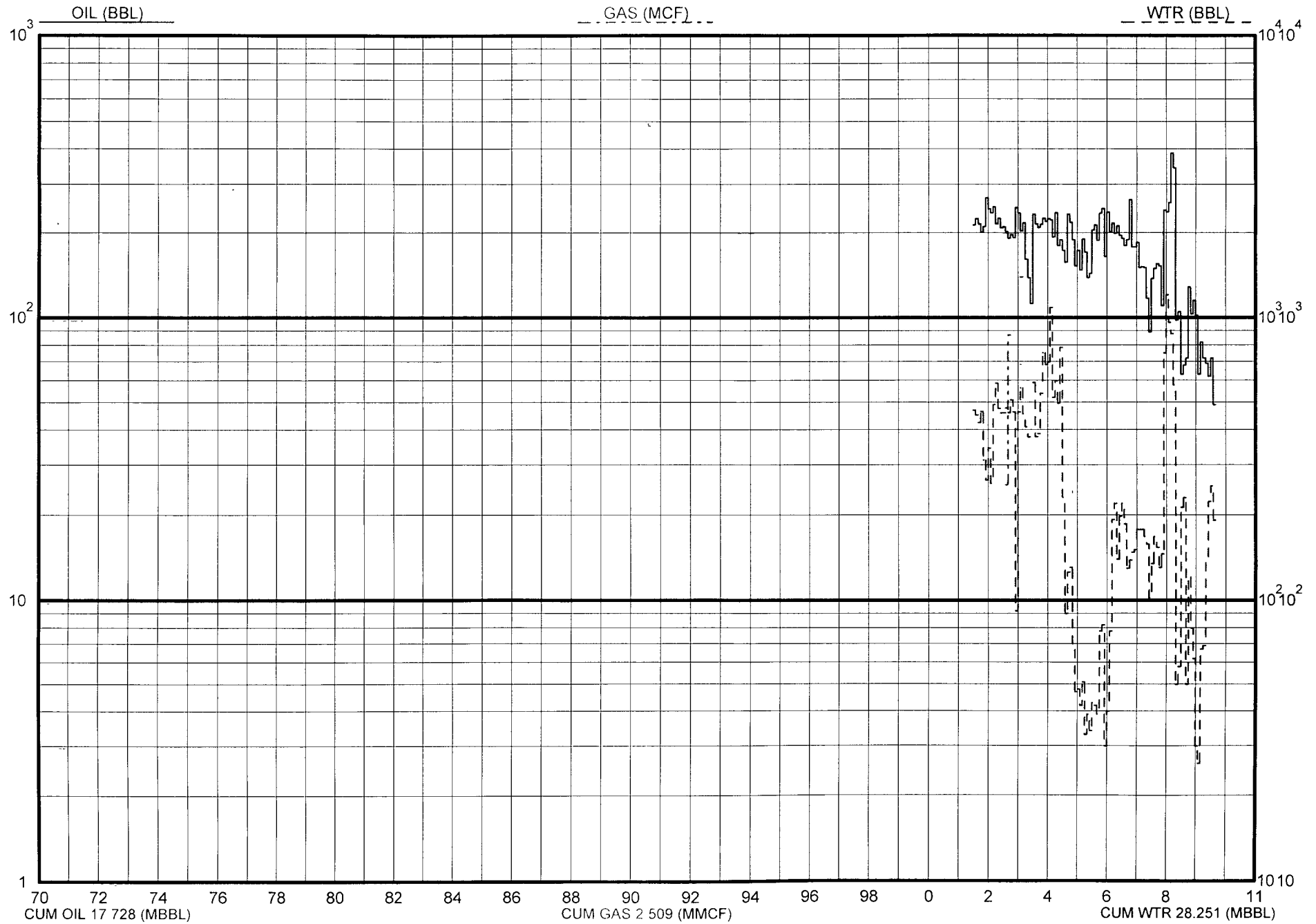
Conditions of Approval (if any):

DHC-HOB-0355

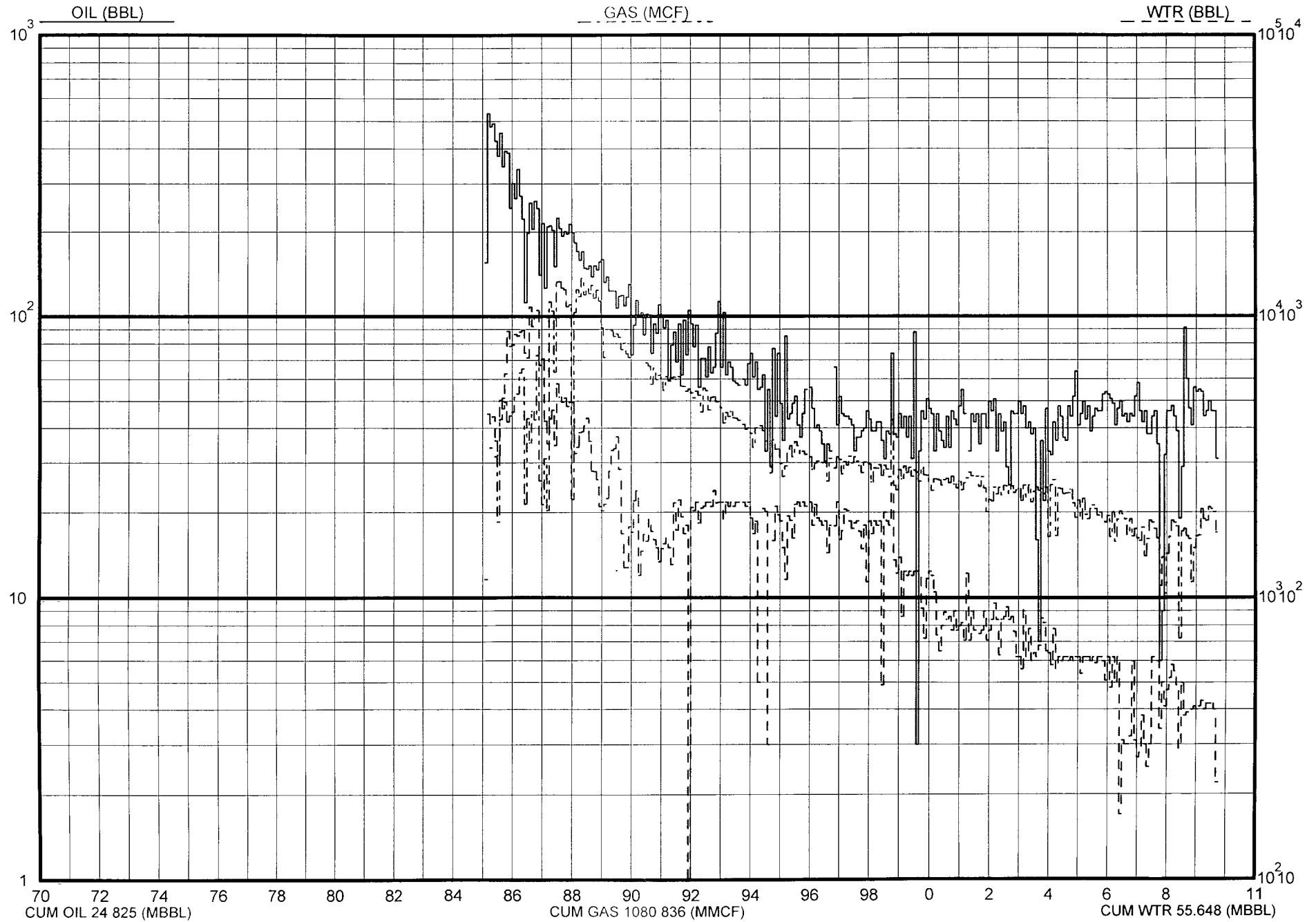
EDDIE AREA  
Wsn:2743 WEL 0-025-06688-0001 (2)  
HARDY DAYTON 2  
Blinebry & Tubb



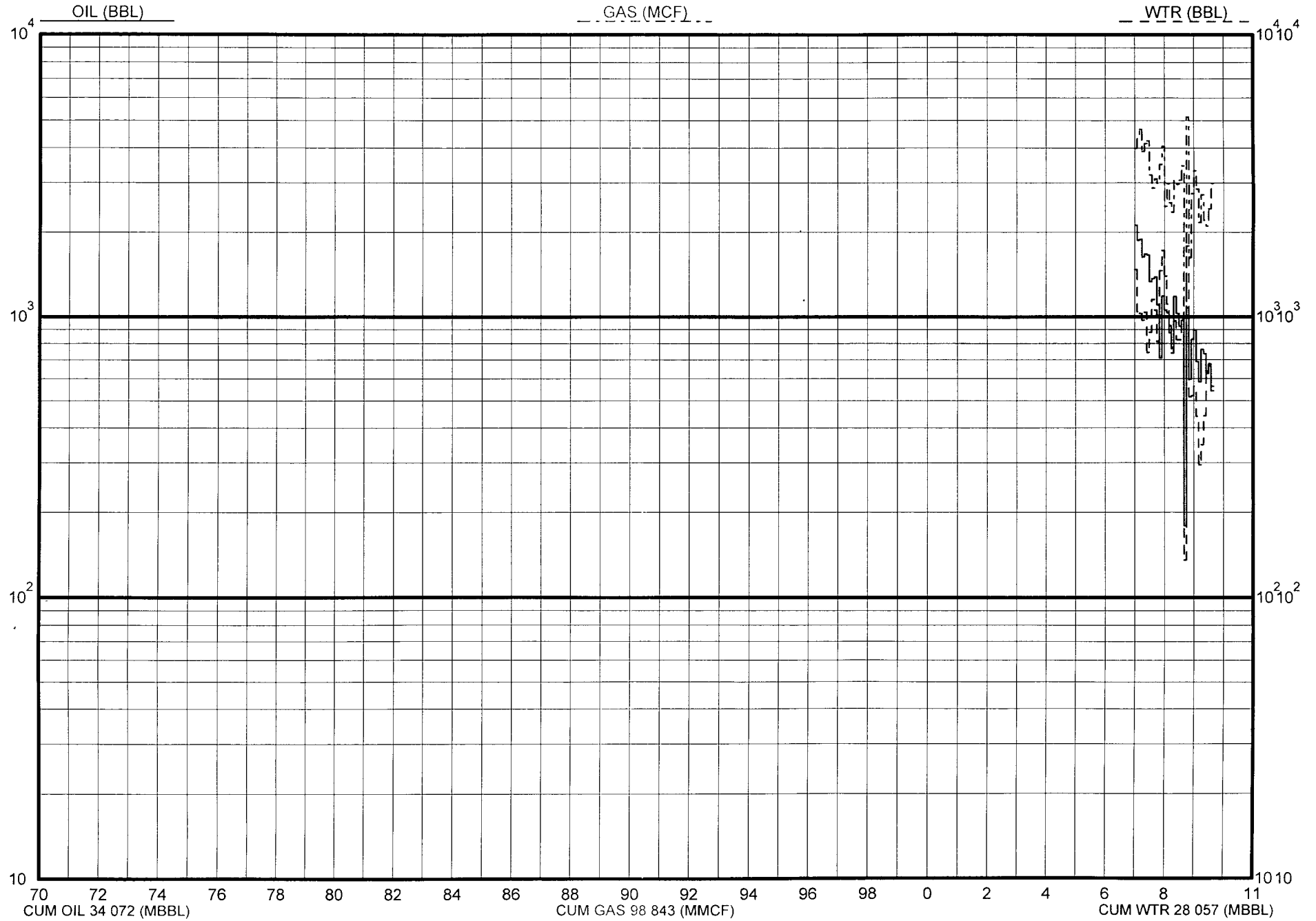
Levee Area  
Wsn:2690 WEL 0-025-06691-0002 (4)  
HARDY D C 4  
Tubb



Price Area  
Wsn:2592 WEL 30-025-28900-0000 (8)  
HARDY CORDELIA 8  
Blinebry



Eunice Area  
Wsn:8078 WE 30-025-38004-0000 (9)  
HARDY D C 9  
Drinkard (Proposed Blinebry & Tubb)



## DC HARDY #9 Production Allocation Calculation

Analogous Wells		Blinebry Initial Production			Tubb Initial Production		
<u>Name</u>	<u>Producing Formation</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>BWPD</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>BWPD</u>
Dayton Hardy #2	BL/TB	22	291	41	6	75	59
DC Hardy #4	TB				8	10	35
Hardy Cordelia #8	BL	29	113	45			
	<i>average</i>	25.5	202	43	7	42.5	47
D C HARDY #9	Expected <b>BLINEBRY</b>	10	130	30			
	Expected <b>TUBB</b>	10	20	30			
	Current <b>DRINKARD</b>	16	10	90			

	Oil	Gas	Water
<b>BLINEBRY</b>	28%	81%	20%
<b>TUBB</b>	28%	13%	20%
<b>DRINKARD</b>	44%	6%	60%
<i>total</i>	100%	100%	100%



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**DISTRICT IV**

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005

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OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number 30-025-38004	Pool Code 19190	Pool Name Drinkard
Property Code 16814	Property Name DC HARDY	Well Number 9
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3484'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	20	21-S	37-E		410	SOUTH	2310	EAST	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

	<b>OPERATOR CERTIFICATION</b>  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.  Signature: <u>Lana Williams</u> Date: <u>7/13/06</u> Printed Name: <u>Lana Williams</u>
	<b>SURVEYOR CERTIFICATION</b>  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.  MAY 31, 2006 Date Surveyed: _____ MR Signature & Seal of Professional Surveyor: <u>Gary A. Edson</u> 6/14/06 06.17.0895 Certificate No. GARY EDSON 12041 RONALD J. EIDSON 3209

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number <b>30-025-38004</b>		Pool Code <b>06660</b>	Pool Name <b>Blindery Oil &amp; Gas (Oil)</b>
Property Code <b>16814</b>	Property Name <b>DC HARDY</b>		Well Number <b>9</b>
OGRID No. <b>873</b>	Operator Name <b>APACHE CORPORATION</b>		Elevation <b>3484'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>0</b>	<b>20</b>	<b>21-S</b>	<b>37-E</b>		<b>410</b>	<b>SOUTH</b>	<b>2310</b>	<b>EAST</b>	<b>LEA</b>

**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	Joint or Infill	Consolidation Code	Order No.
<b>40</b>			

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	<b>SURVEYOR CERTIFICATION</b>  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.  MAY 31, 2006 Date Surveyed: <u>5/1/06</u> MR Signature & Seal of Professional Surveyor: <u>Gary R. Edson</u> 06.11.0895 Certificate No. GARY EDSON 12841 RONALD F. EIDSON 3239

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### WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-38004</b>	Pool Code <b>60240</b>	Pool Name <b>Tubb Oil &amp; Gas</b>	<b>LEIL</b>
Property Code <b>16814</b>	Property Name <b>DC HARDY</b>		Well Number <b>9</b>
OGRID No. <b>873</b>	Operator Name <b>APACHE CORPORATION</b>		Elevation <b>3484'</b>

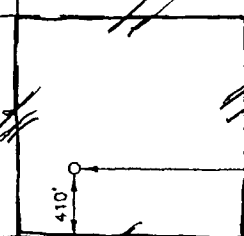
#### Surface Location

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<b>0</b>	<b>20</b>	<b>21-S</b>	<b>37-E</b>		<b>410</b>	<b>SOUTH</b>	<b>2310</b>	<b>EAST</b>	<b>LEA</b>

#### 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 <b>40</b>		Joint or Infill	Consolidation Code		Order No.				

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="text-align: center;"><p>GEODETIC COORDINATES NAD 27 NME</p><p>Y=532302.1 N X=854648.3 E</p><p>LAT.=32°27'29.38" N LONG.=103°11'00.84" W</p></div>	<b>OPERATOR CERTIFICATION</b> <i>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.</i>  <i>Lana Williams</i> Signature <i>Lana Williams</i> 7/13/06 Printed Name
	<b>SURVEYOR CERTIFICATION</b> <i>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.</i>  MAY 31, 2006 Date Surveyed Signature & Seal of Professional Surveyor <i>Gary E. Edson</i> 6/14/06 06.11.0895 Certificate No. GARY EIDSON 12841 RONALD EIDSON 3239