

Order Number
DHC
ADB-0362

API Number
30-025-39652

Operator
Apache Corp

County
Lea/St

Order Date
3/8/10

Well Name
LQM

Number
3

Location
205
T (+Dir)

UL
N

Sec
2

R (+Dir)
38e

Pool 1
33230

House Blinbery

Oil %
14%

Gas %
19%

WTR
31%

Pool 2
78760

House Tubb

Oil %
10%

Gas %
24%

Pool 3
33250

House Drinkard

Oil %
76%

Gas %
57%

Pool 4

Comments:
Posted RBDMs 3/8/10 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHC-HOB-0362
API # 30-025-39652

OPERATOR: Apache Corp

PROPERTY NAME: L & M

WNULSTR: # 3-N, 2-20s-38e

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>House Blinbry</u> ^{<33230>}	<u>142</u>	<u>284</u> MCF 2000
POOL NO. 2	<u>House Tubb</u> ^{<33260>}	<u>142</u>	<u>284</u> MCF 2000
POOL NO. 3	<u>House Drinkard</u> ^{<33250>}	<u>142</u>	<u>284</u> MCF 2000
POOL NO. 4	_____		MCF
POOL TOTALS		<u>426</u>	<u>852</u>

SECTION II:	Oil	GAS
POOL NO. 1	<u>House Blinbry</u> 14%	19%
POOL NO. 2	<u>House Tubb</u> 10%	24%
POOL NO. 3	<u>House Drinkard</u> 76% X 426 = 323.76	57%
POOL NO. 4	_____	^{<324>}

OIL GAS

SECTION III:
 $76\% \div 142 = 18684 <187>$

SECTION IV:

$14\% \times 187 = 26.18$

$10\% \times 187 = 18.7$

$76\% \times 187 = 142.12$

Print 3 Copies To Appropriate District
 Office
 Street I
 25 N French Dr., Hobbs, NM 88240
 Street II
 91 W Grand Ave., Artesia, NM 88210
 Street III
 60 Rio Pecos Rd., Aztec, NM 87410
 Street IV
 20 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 11, 2008

RECEIVED
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 03/03/2010

WELL API NO. 30-025-39652 ✓
 5. Indicate Type of Lease
 STATE FEE
 6. State Oil & Gas Lease No.
 B0-9652
 7. Lease Name or Unit Agreement Name
 L & M ✓
 8. Well Number 3 ✓
 9. OGRID Number 873 ✓
 10. Pool name or Wildcat
 House; Blinebry/Tubb/Drinkard

SUNDRY NOTICES AND REPORTS ON WELLS
 DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
 DEEPER RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
 PROPOSALS.
 Type of Well: Oil Well Gas Well Other:
 Name of Operator
 Apache Corporation ✓
 Address of Operator
 20 S Yale Ave, Suite 1500 Tulsa, OK 74136

Well Location
 Unit Letter N : 890 feet from the South line and 2310 feet from the West line
 Section 2 Township 20S Range 38E NMPM County Lea ✓
 11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3584'

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
 DRILL OR ALTER CASING MULTIPLE COMPLETIONS
 DOWNHOLE COMMINGLE
 SUBSEQUENT REPORT OF:
 REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDON
 CASING/CEMENT JOB
 OTHER:

Request DHC Blinebry/Tubb/Drinkard
 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: Blinebry 33230
 Tubb 78760
 Drinkard 33250
 Proposed Perforations:
 Blinebry: 6049'-6550'
 Tubb: 6550'-6869'
 Drinkard: 6869'-7130'

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

	OIL	GAS	WATER
House; Blinebry	14%	19%	31%
House; Tubb	10%	24%	15%
House; Drinkard	76%	57%	54%

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

DHC-HOB-0361

Well 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: 03/02/2010

Print name: Amber Cooke E-mail address: amber.cooke@apachecorp.com PHONE: 918.491.4968
 State Use Only

PROVED BY: [Signature] TITLE: METROLEUM ENGINEER DATE: MAR 01 2010

Additional Approvals (if any):

Print 3 Copies To Appropriate District
 Office
 Street I
 25 N. French Dr., Hobbs, NM 88240
 Street II
 91 W. Grand Ave., Artesia, NM 88210
 Street III
 100 Rio Pecos Rd., Aztec, NM 87410
 Street IV
 70 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Amended Form C-103
 June 1, 2008

RECEIVED

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

WELL API NO.
 30-025-39652 ✓

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 B0-9652

7. Lease Name or Unit Agreement Name
 L & M ✓

8. Well Number 3 ✓

9. OGRID Number
 873 ✓

10. Pool name or Wildcat
 House; Blinebry/Tubb/Drinkard

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

Type of Well: Oil Well Gas Well Other:

Name of Operator
 Apache Corporation ✓

Address of Operator
 20 S Yale Ave, Suite 1500 Tulsa, OK 74136

Well Location
 Unit Letter N : 890 feet from the South line and 2310 feet from the West line
 Section 2 Township 20S Range 38E NMPM County Lea ✓

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

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
 JUMP OR ALTER CASING MULTIPLE COMPLETIONS
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDON
 CASING/CEMENT JOB

OTHER: Request DHC Blinebry/Tubb/Drinkard 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:	Proposed Perforations:
House; Blinebry 33230	Blinebry: 6049'-6550'
House; Tubb 78760	Tubb: 6550'-6869'
House; Drinkard 33250	Drinkard: 6869'-7130'

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

	OIL	GAS	WATER
House; Blinebry	14%	19%	31%
House; Tubb	10%	24%	15%
House; Drinkard	76%	57%	54%

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

DHC-40B-0362

Well ID 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: 03/02/2011

Operator name: Amber Cooke E-mail address: amber.cooke@apachecorp.com PHONE: 918 491 4968
 State Use Only

PROVED BY: [Signature] TITLE: PETROLEUM ENGINEER DATE: MAR 01 2011
 Additional Approvals (if any):

RECEIVED

MAR 03 2010
HOBBS

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

STRIC I
5 N. FREE CHDR., HOBBS, NM 88249

STRIC II
1 W. GRAY AVENUE, ARTESIA, NM 88210

STRIC III
40 RIO BAZOS RD., AZTEC, NM 87410

STRIC IV
85 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-39652	Pool Code 33230	Pool Name House; Blinebry
Property Code 303220	Property Name L & M	Well Number 3
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3584'

Surface Location

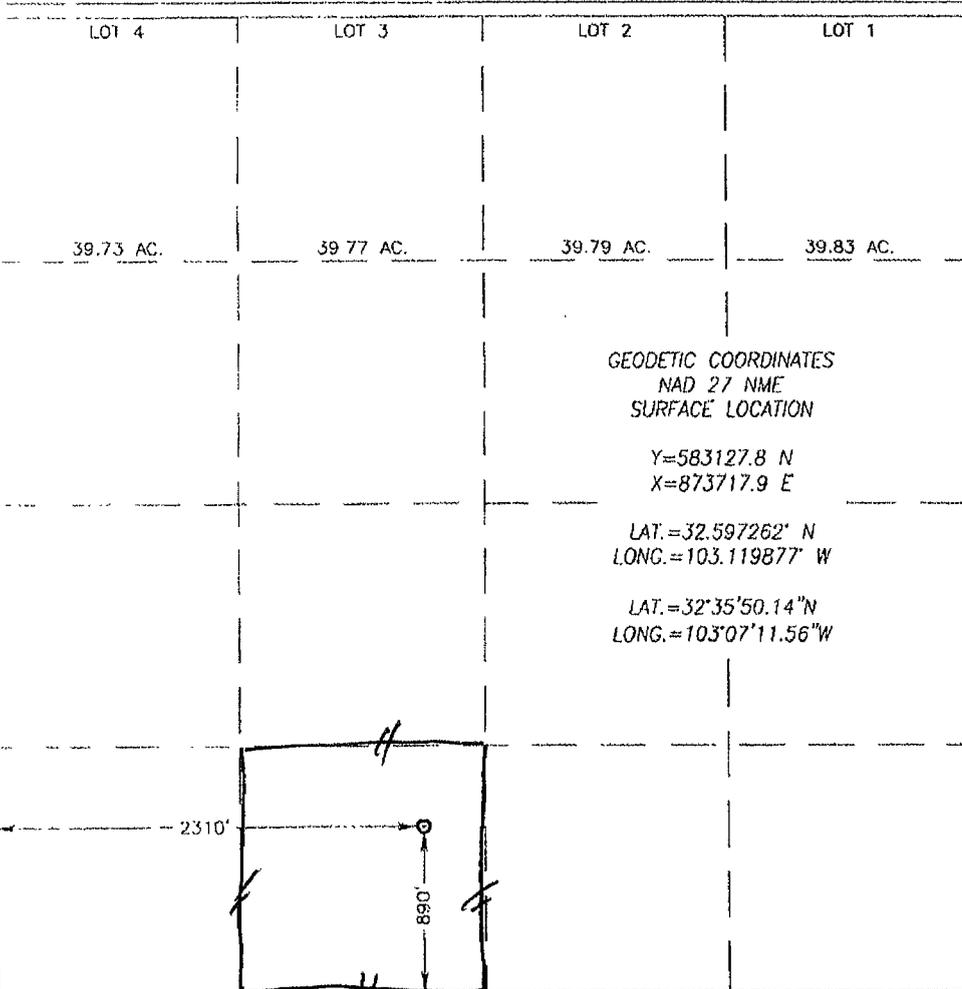
North/South line	Foot from the	East/West line	County
SOUTH	2310	WEST	LEA

Bottom Hole Location If Different From Surface

North/South line	Foot from the	East/West line	County

Order No. 40	Consolidation Code	Joint or Infill
-----------------	--------------------	-----------------

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 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 3/2/10
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
JANUARY 11 2010
NEW MEXICO
SURVEYOR

Date Surveyed
Signature & Seal of Professional Surveyor
Ronald J. Eidson 03/11/2010

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

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

STRIC I I
N. FRENCH DR., HOBBS, NM 88240

MAR 03 2010

STRIC I II
W. GRABER AVENUE, ARTESIA, NM 88210

HOBBS

STRIC I III
RIO BLANCO AZOS RD., AZTEC, NM 87410

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

STRIC I IV
S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-39652	Pool Code 78760	Pool Name House; Tubb
Property Code 30-220	Property Name L & M	Well Number 3
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3584'

Surface Location

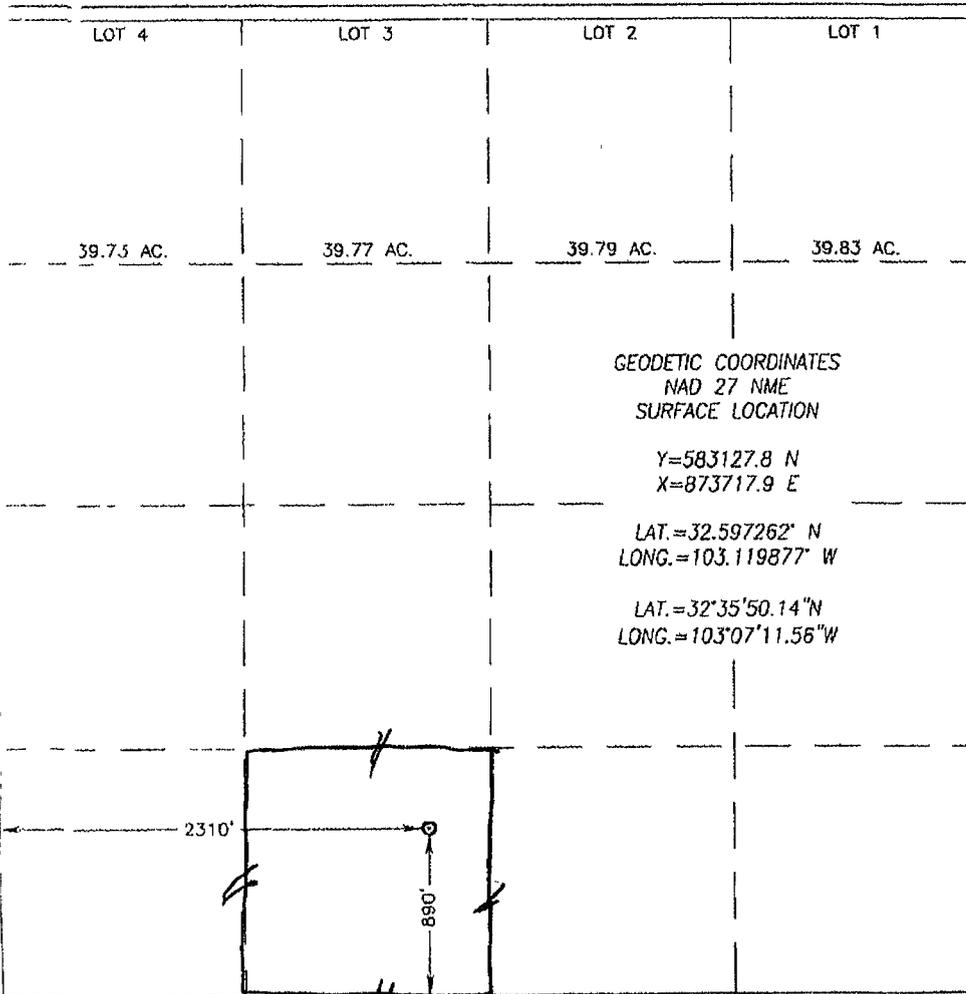
TL or lot N	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	38-E		890	SOUTH	2310	WEST	LEA

Bottom Hole Location If Different From Surface

TL or lot N	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Indicated / Area	Joint or Infill	Consolidation Code	Order No.
40			

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Amber Cooke 3/2/10
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
Signature & Seal of Professional Surveyor

Ronald J. Eidson 01/17/2010
Professional Surveyor

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

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

Revised October 12, 2005
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STRIC I
5 N. FRANKLIN DR., HOBBS, NM 88240
STRIC II
W. GRAF AVENUE, ARTESIA, NM 88210
STRIC III
10 RIO BONITO AZOS RD., AZTEC, NM 87410
STRIC IV
85 S. ST. FRANCIS DR., SANTA FE, NM 87505

MAR 03 2010
HOBBS

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-39652	Pool Code 33250	Pool Name House; Drinkard
Property Code 303220	Property Name L & M	Well Number 3
COORD No. 873	Operator Name APACHE CORPORATION	Elevation 3584'

Surface Location

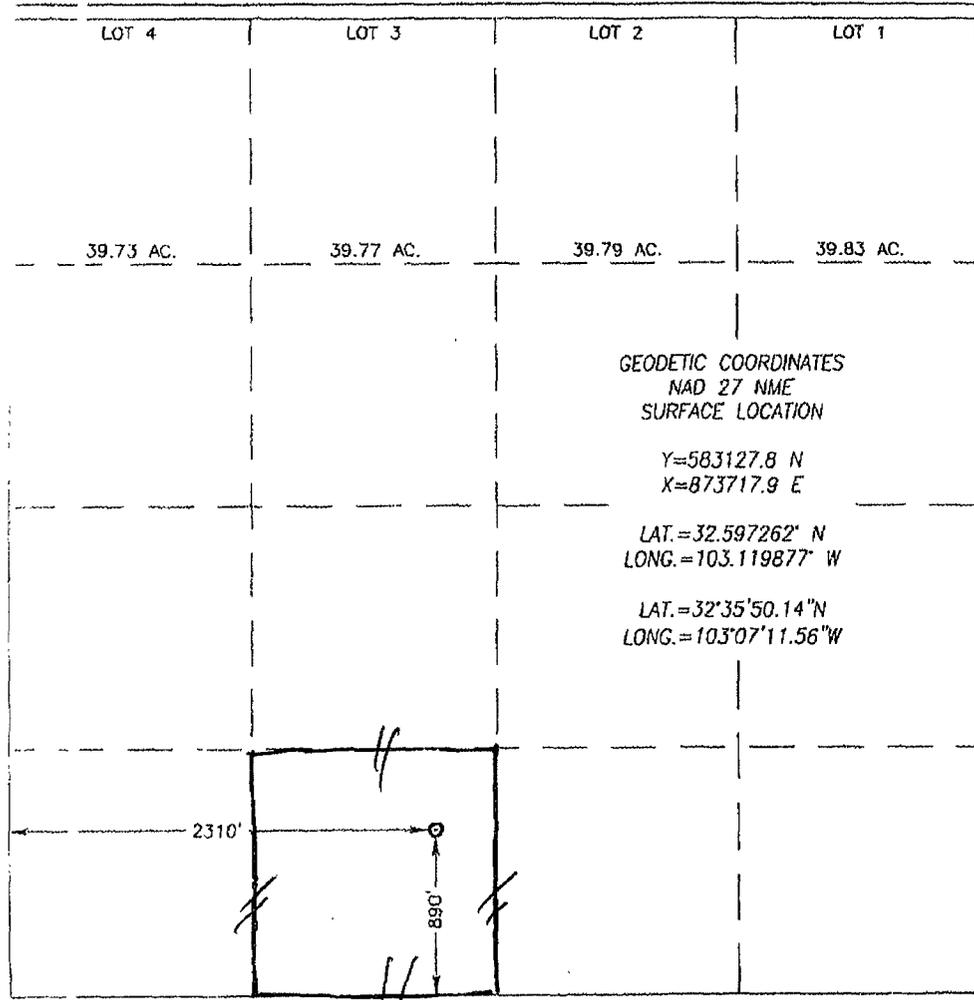
TL or lot	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Bottom Hole Location If Different From Surface

TL or lot	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Indicated acres	Joint or Infill	Consolidation Code	Order No.
40			

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Amber Cooke 3/2/10
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: JANUARY 11, 2010
Signature & Seal of Professional Surveyor: *Ronald J. Edson*
Certificate No. GARY G. EDSON 12841
RONALD J. EDSON 3239