

DATE IN <u>3/11/02</u>	SUSPENSE <u>3/31/02</u>	ENGINEER <u>DC</u>	LOGGED <u>KW</u>	TYPE <u>PLC</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

PKR10207132567

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]

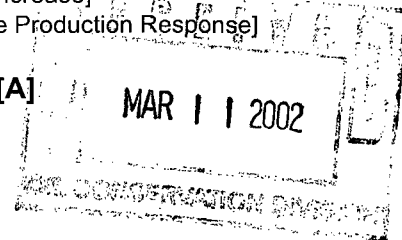
TYPE OF APPLICATION - Check Those Which Apply for [A]

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

Check One Only for [B] or [C]

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

- [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 if 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 further verify that all applicable API Numbers are included. 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.

Frances M. Byers
 Print or Type Name

Signature

Sr. Engineering Tech
 Title

11/16/2001
 Date



2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400

November 16, 2001

WWW.APACHECORP.COM
(713) 296-6000

State of New Mexico
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
Attn: Mr. David Catanach

RE: APPLICATION FOR PLC PERMIT
STATE SEC 1 /LA/ WELL NO. #12
STATE /O/ WELL NOS. #9 & #10
Lea County, New Mexico

(30-025-03820)
(30-025-05365/30-025-05366)

Dear Mr. Catanach:

Apache Corporation is requesting an amendment to the exception to Rule 303A, surface commingle Order. Production from all wells are from the Lovington Drinkard and Abo pools. The leases that are commingle are the following:

Lease Name: **State /LA/ Lease** *Drinkard*
Description: **NE/4, Section 1, Township 17 South, Range 36 East, NMPM**

Lease Name: **State /O/ Lease** *Abo*
Description: **SW/4, Section 31, Township 16 South, Range 37 East, NMPM**

Currently the wells are producing as follows:

<u>WELL</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>API GRAVITY</u>
State Sec 1 LA #12 <i>Drinkard</i>	10	81	40	40°
State /O/ #9 <i>Abo</i>	18	10	20	41°
State /O/ #10	290	0	385	41°

All production will be metered separately as royalty ownership *50 NM 2500* differs for each lease. Attached is a schematic of the battery facility, a plat that shows the area the leases encompass and a list of the interest owners for each lease with notification proof. A copy of this request has been forward to the State Land Commission.

Sincerely,

APACHE CORPORATION

Frances M. Byers

Frances M. Byers
Sr. Engineer Tech

*Per Call To F.M.S.
3/28/02*



November 16, 2001

State of New Mexico
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
Attn: Mr. David Catanach

**RE: APPLICATION FOR PLC PERMIT
STATE SEC 1 LA LEASE
STATE /O/ LEASE
Lea County, New Mexico**

Dear Mr. Catanach:

On October 31, 2001 Apache Corporation received a verbal ok to commingle the above leases because of the road and pipeline lost. Apache Corporation is supplying the appropriate paper work for requesting a multiple pool-commingling permit for the above referenced leases. To support this request we have attached the following:

- A) Administrative Application Checklist
- B) List of wells, with their producing rate that being commingled
- C) A map that shows the leases to be commingled and the area they encompass.
- D) A current schematic of the commingling battery
- E) A list of interest owners showing they are the same.

Sincerely,

APACHE CORPORATION

A handwritten signature in black ink that reads 'Frances M. Byers'.

Frances M. Byers
Sr. Engineer Tech

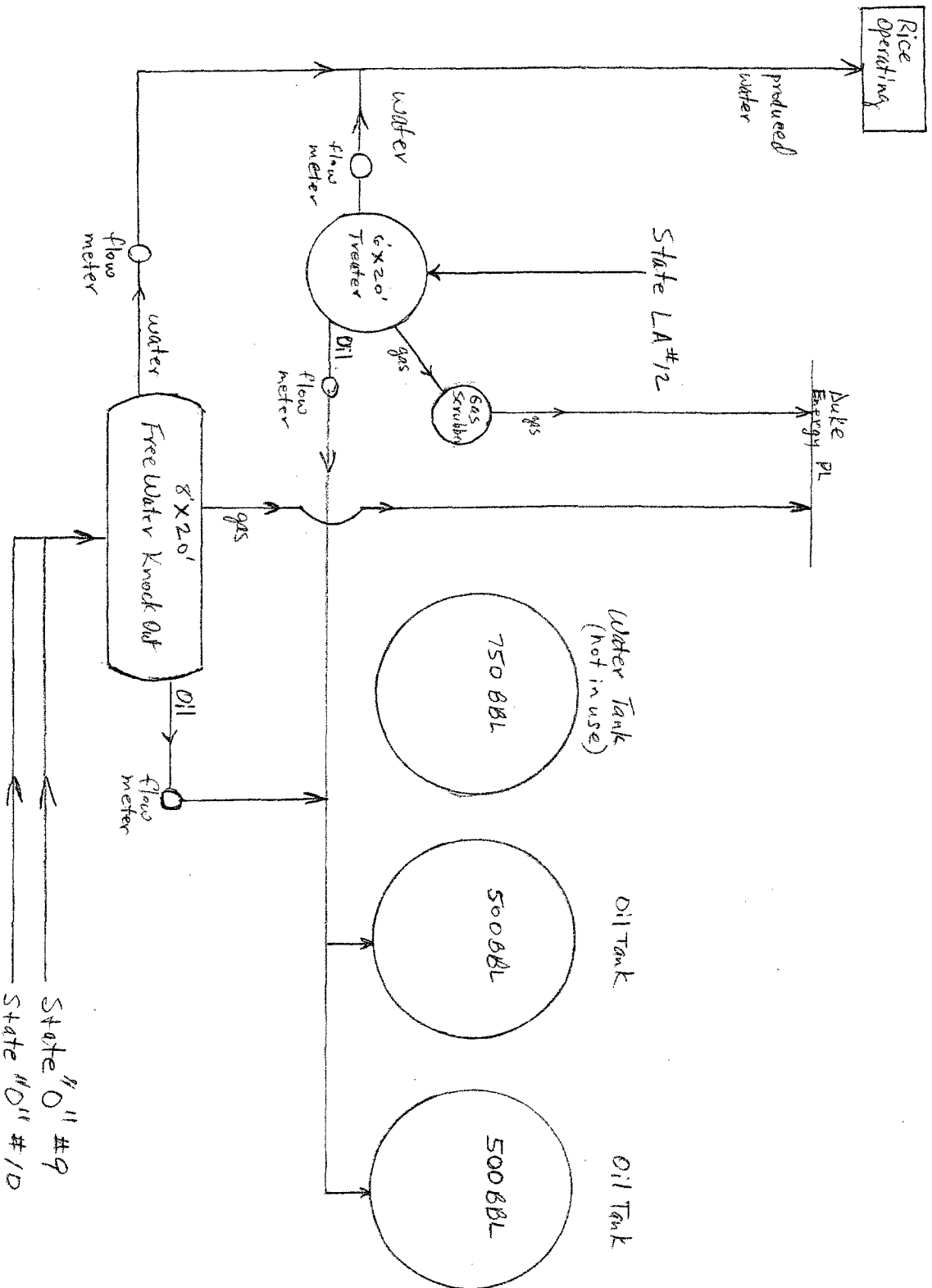
INTEREST OWNERS FOR STATE SEC 1 LA LEASE

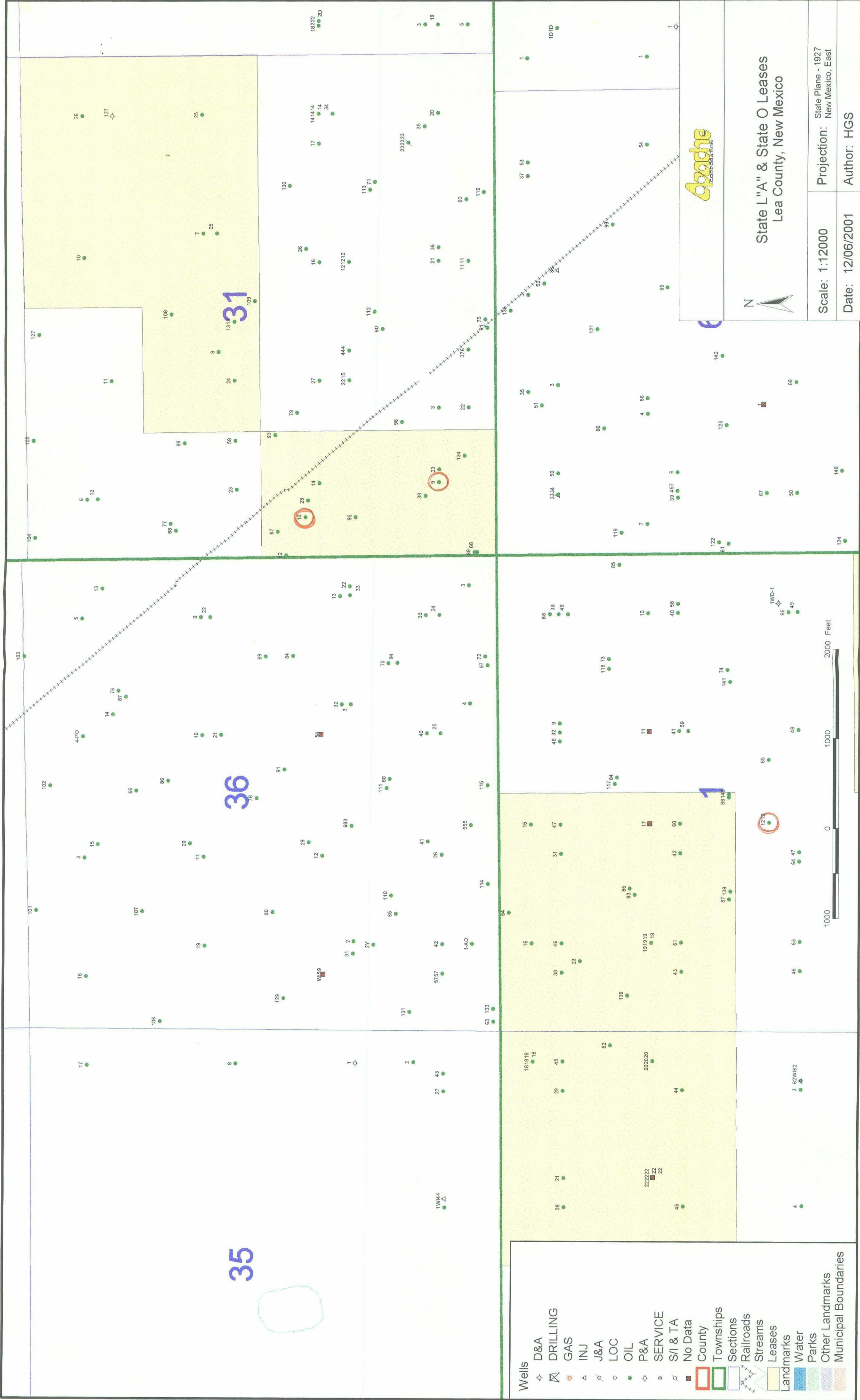
Apache Corporation W.I. 100%
2000 Post Oak Blvd. – Suite 100
Houston, TX 77056-4400

INTEREST OWNERS FOR STATE /O/ # LEASE

Apache Corporation
2000 Post Oak Blvd. - Suite 100
Houston, TX 77056-4400

STATE "LA" BATTERY





State L'A" & State O Leases
Lea County, New Mexico

Scale: 1:12000

Projection: State Plane - 1927
New Mexico, East

Date: 12/06/2001

Author: HGS

Wells

D&A

DRILLING

GAS

INJ

J&A

LOC

OIL

P&A

SERVICE

S/I & TA

No Data

County

Townships

Sections

Railroads

Streams

Leases

Landmarks

Water

Parks

Other Landmarks

Municipal Boundaries

STATE/L"A"/LEASE, #12

SW/4, Sec.1, T-17-S,R-36-E, Lea, Co. NM.

Scale: 1:12000

Date: 12/05/2001

Author: HGS

Projection: State Plane - 1927
New Mexico, East

Apache

CORPORATION

The map displays a grid of land parcels, primarily colored yellow, with various well locations marked by green dots and numbers. A large blue number '12' is centered in the upper left quadrant. A yellow rectangular area is located in the center, and another yellow area is in the lower right. A green line runs vertically through the center. A red circle with a dot is located in the lower right. A scale bar at the top indicates distances up to 1000 feet. A north arrow is also present. The map is divided into sections by a grid of lines.

Trp	Rge	API	Well Name	Sec	CD	Operator	Gas Prod 2000	Oil Prod 2000	Gas Prod 2001	Oil Prod 2001	DGRID	Cd	Prop Nbr	Pool IDN	Formation/ Note	County
17S	36E	30-025-03816	STATE SEC 1 LA #008	1A		APACHE CORP	8	128	0	0	873		26497	0/ABO		LEA
17S	36E	30-025-03817	STATE SEC 1 LA #009	1B		APACHE CORP	0	0	0	0	873		26497	0/ABO		LEA
17S	36E	30-025-03819	STATE SEC 1 LA #011	1G		APACHE CORP	0	0	0	0	873		26497	0/ABO		LEA
17S	36E	30-025-03818	STATE SEC 1 LA #010	1H		APACHE CORP	0	0	0	0	873		26497	0/ABO		LEA
17S	36E	30-025-03820	STATE SEC 1 LA #012	1K		APACHE CORP	6240	4703	2739	4528	873		26497	40490/DRINKARD		LEA
16S	37E	30-025-21356	STATE O #026	31A		APACHE CORP	1472	1825	1182	882	873		16846	40660/PADDOCK		LEA
16S	37E	30-025-21355	STATE O #025	31H		APACHE CORP	1472	3693	1162	2889	873		16846	40660/PADDOCK		LEA
16S	37E	30-025-05370	STATE O #014	31I		APACHE CORP	0	0	0	0	873		16846	0		LEA
16S	37E	30-025-05368	STATE O #012	31J		APACHE CORP	588	1846	447	1394	873		16846	40490/DRINKARD		LEA
16S	37E	30-025-05366	STATE O #010	31L		APACHE CORP	1766	2156	1415	2799	873		16846	40470/ABO		LEA
16S	37E	30-025-05365	STATE O #009	31M		APACHE CORP	20254	20760	16243	14898	873		16846	40470/ABO		LEA
16S	37E	30-025-05367	STATE O #011	31O		APACHE CORP	0	0	0	0	873		16846	0/ABO		LEA
16S	37E	30-025-05378	STATE O #023	31P		APACHE CORP	591	938	473	1173	873		16846	40490/DRINKARD		LEA

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245

Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

April 3, 2002

Apache Corporation
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400

Attention: Ms. Frances M. Byers

Re: Surface Commingling Application
State Sec. 1 LA Well No. 12 (K), Sec. 1-17S-36E
Lovington Drinkard Pool
State O Well Nos. 9 (M) & 10 (L), Sec. 31-16S-37E
Lovington Abo Pool
Lea County, New Mexico

Dear Ms. Byers:

Your application of November 16, 2001 requests our approval to surface commingle the Lovington Drinkard and Lovington Abo Pool production from the above referenced wells at the existing State LA Tank Battery.

It is our understanding that all production will be metered separately.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your \$30.00 filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/pm

pc: Reader File,
OCD-Attention: David Catanach,