

DUC
Order Number
KOB-435

API Number
30-025-39839

Operator
Apache Corp

County
Lea

Order Date
1/18/11

Well Name
USE House

Number
#2

Location
I 12 205 370
UL Sec T (+Dir) R (+Dir)

Pool 1
33225

House Blinbrg South

Oil %
30%

Gas %
36%

WTR
44%

Pool 2
18760

House Tubb

9%

19%

14%

Pool 3
33250

House Drinkard

61%

45%

42%

Pool 4

Comments: Posted to RBDMS 1/18/11 dm

DOWNHOLE COMMINGLE CALCULATIONS:

DHC-40B-435
API #30-025-39839

OPERATOR: Apache Corp

PROPERTY NAME: USE House #2

WNULSTR: #2-I, 12-20s-370

SECTION I:

POOL NO. 1 House Blinebry S.

ALLOWABLE AMOUNT

142 284 MCF 2000

POOL NO. 2 House Tubb

142 284 MCF 2000

POOL NO. 3 House Drinkard

142 284 MCF 2000

POOL NO. 4 _____

POOL TOTALS 426 852 MCF

SECTION II:

POOL NO. 1 House Blinebry S.

Oil
30%

GAS
36%

POOL NO. 2 House Tubb

9%

19%

POOL NO. 3 House Drinkard

61% x 426 = 259.86 45%
<260>

POOL NO. 4 _____

OIL

GAS

SECTION III:

142 % .61 232.79 <233>

SECTION IV:

.30 x 233 = 69.9 <70>

.09 x 233 = 20.97 <21>

.61 x 233 = 142.13 <142>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.
NMNM 017252

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2. Name of Operator
Apache Corporation

3a. Address
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

3b. Phone No. (include area code)
432/818-1062

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
USE Howse #002

9. API Well No.
30-025-39839

10. Field and Pool or Exploratory Area
House Bli/33230; House Tu/78760; House Drkd/33250

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FSL & 990' FEL Sec 12 T20S R37E UL I

11. Country or Parish, State
Lea Co., NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other DHC
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

R-11363

Apache requests permission to complete and DHC the Blinebry-Tubb-Drinkard, per the following:

Pool Names: House; Blinebry ³³²²⁵ 33230 Perforations: Blinebry 6061'-6539'
House; Tubb 78760 ✓ Tubb 6626'-6776'
House; Drinkard 33250 ✓ Drinkard 7002'-7110'

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

	OIL	GAS	Water
Blinebry	30%	36%	44%
Tubb	9%	19%	14%
Drinkard	61%	45%	42%

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Reesa Holland

Title Sr. Engr Tech

Signature

Date 12/02/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

JAN 18 2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

DISTRICT I
1625 N. FRENCH DR., HOHNS, NM 87400

DISTRICT II
1501 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

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

DISTRICT IV
11955 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102

Revised October 12, 2005

Submit to Approving District Office

State Lease - 4 Copies

For Lease - 2 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39839	Pool Code 33225	Pool Name HOUSE 1 BLINEBRY, SOUTH
Property Code 38243	Property Name USA - HOWSE	Well Number 2
OGRID No. 873	Operator Name APACHE CORPORATION	Elevation 3566'

Surface Location

Well or Lot No.	Section	Township	Range	East 1/4	Feet from the	North/South line	Feet from the	East/West line	County
1	12	20-S	38-E		1650	SOUTH	990	FAST	LEA

Bottom Hole Location If Different From Surface

Well or Lot No.	Section	Township	Range	East 1/4	Feet from the	North/South line	Feet from the	East/West line	County
40									
Dedicated Acre	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

GEOGRAPHIC COORDINATES NAD 27 NAD SURFACE LOCATION Y=578680.3 N X=881033.2 E LAT. = 32° 50' 48.08" N LONG. = 103° 09' 29.88" W LAT. = 32° 35' 05.31" N LONG. = 103° 05' 46.67" W	3564.7' 600' 3567.0' 990' 3565.6' 639.1'	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. <i>Sam Shoun</i> 7/19/2010 Signature Date SAM SHOUN 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. JANUARY 5, 2010 Date Surveyed <i>Ronald J. Hudson</i> Signature & Seal of Professional Surveyor Certificate No. GARY C. HUDSON 12641 RONALD J. HUDSON 3239
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DISTRICT I
1625 N. FRENCH DR., HOHNS, NM 87101

DISTRICT II
1161 W. GRAND AVENUE, ALBUQUERQUE, NM 87102

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

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL 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

Per Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39839	Well Code 78760	Pool Name HOUSE TURB
Property Code 38243	Property Name USA - HOWSE	Well Number 2
GORID No. 873	Operator Name APACHE CORPORATION	Elevation 3566'

Surface Location

UT. or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
1	12	20-S	38-E		1650	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UT. or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Indicated Area 40	Joint or Fath	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
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GEOMETRIC COORDINATES HAD 27 NHE SURFACE LOCATION $Y=578660.3$ N $X=881033.2$ E LAT = $32^{\circ}58'48.0''$ N LONG. = $103^{\circ}09'28.8''$ W LAT = $32^{\circ}35'05.31''$ N LONG. = $103^{\circ}05'46.67''$ W		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 interest or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Sam Shoun</i> 7/19/2010 Signature Date SAM SHOUN 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 5, 2010 Signature & Seal of Professional Surveyor Certificate No. GARY C. BIDSON 12611 RONALD J. BIDSON 3539

DISTRICT I
1625 N. FRENCH DR., HOHNS, NM 87400

DISTRICT II
1501 W. GRAND AVENUE, ARTESIA, NM 87010

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

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL 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 Fee - 4 Copies
Pool Fee - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39 839	Pool Code 33250	Pool Name HOUSE: DRINKARD
Property Code 38243	Property Name USA - HOWSE	Well Number 2
GORID No 873	Operator Name APACHE CORPORATION	Elevation 3566'

Surface Location

Unit or Lot No.	Section	Township	Range	Lot Etn	Feet from the	North/South line	Feet from the	East/West line	County
1	12	20-S	38-E		1650	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

Unit or Lot No.	Section	Township	Range	Lot Etn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acre	Joint or Joint	Consolidation Code	Order No.
40			

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

GEODETIC COORDINATES NAD 22 NAD SURFACE LOCATION Y=578580.3 N X=881031.2 E LAT = 32°58'40.0" N LONG = 103°09'42.98" W LAT = 32°35'05.31" N LONG = 103°05'46.67" W	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 unless 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>Sam Shoun</i> Signature Date 7/19/2010 SAM SHOUN 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. JANUARY 5, 2010 Date Surveyed <i>Ronald J. Eidson</i> Signature & Seal of Professional Surveyor 08-11-1221 Certificate No. GARY C. EIDSON 12041 RONALD J. EIDSON 3239
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