

Sec : 16 Twp : 21S Rng : 37E Section Type : NORMAL

<p>D 40.00 CS B01557 0002 APACHE CORP 12/29/38 A A A</p>	<p>C 40.00 CS B01557 0002 APACHE CORP 12/29/38 A A A A A</p>	<p>B 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A</p>	<p>A 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A A</p>
<p>E 40.00 CS B01557 0002 APACHE CORP 12/29/38 A A A</p>	<p>F 40.00 CS B01557 0002 APACHE CORP 12/29/38 A A</p>	<p>G 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A</p>	<p>H 40.00 CS B01732 0001 CHEVRON U S A INC 02/28/43 A A</p>
<p>L 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A</p>	<p>K 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A</p>	<p>J 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A</p>	<p>I 40.00 CS B00085 0016 APACHE CORPORATIO 07/28/38 A A</p>
<p>M 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A</p>	<p>N 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A</p>	<p>O 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A</p>	<p>P 40.00 CS B08105 0003 JOHN H HENDRIX CO 04/10/49 A A</p>

Sec : 17 Twp : 21S Rng : 37E Section Type : NORMAL

D 40.00  Fee owned  A A	C 40.00  Fee owned  A	B 40.00  Fee owned  A A	A 40.00  Federal owned  A
E 40.00  Fee owned  A A A	F 40.00  Fee owned  A	G 40.00  Fee owned  A	H 40.00  Federal owned  A A
L 40.00  Federal owned  A A A	K 40.00  Fee owned  A A A	J 40.00  Fee owned  A	I 40.00  Federal owned  A A
M 40.00  Federal owned  A A	N 40.00  Fee owned  P A	O 40.00  Fee owned  P A A	P 40.00  Fee owned  P A A

CMD : ONGARD 02/26/04 11:03:35  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 34245 Eff Date : 07-01-2000 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 26483 STATE DA

Well No : 006  
GL Elevation: 3461

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	<u>L</u>	16	21S	37E	FTG 1980 F S	FTG 810 F W	A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : P

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 02/26/04 11:03:43  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPX9  
Page No : 1

API Well No : 30 25 34245 Eff Date : 02-27-1998  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 26483 STATE DA Well No : 006  
Spacing Unit : 50337 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 16 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

-----  
S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn  
-----  
L 16 21S 37E 40.00 N ST  
-----

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/26/04 11:03:52  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 34245 Report Period - From : 01 2002 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 34245	STATE DA	01 02 31	12400 156 5137	P
30 25 34245	STATE DA	02 02		P
30 25 34245	STATE DA	03 02 31	10860 138 4393	P
30 25 34245	STATE DA	04 02 25	3142 107 2263	P
30 25 34245	STATE DA	05 02 30	5762 28 2841	P
30 25 34245	STATE DA	06 02 30	4186 2411	P
30 25 34245	STATE DA	07 02 31	3619 2496	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 11:03:55  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 34245 Report Period - From : 01 2002 To : 12 2003

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Oil	Water	Well Stat
30 25 34245	STATE DA	08 02	31	3083	6	2443	P
30 25 34245	STATE DA	09 02	30	2713	66	2100	P
30 25 34245	STATE DA	10 02	30	2628	69	1922	P
30 25 34245	STATE DA	11 02	30	2558	116	3000	P
30 25 34245	STATE DA	12 02	31	2466	127	492	P
30 25 34245	STATE DA	01 03	30	2539	119	2471	P
30 25 34245	STATE DA	02 03	28	2215	105	2284	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 11:03:56  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 3

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 34245 Report Period - From : 01 2002 To : 12 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 34245	STATE DA	03 03 31	2374 120 2395	P
30 25 34245	STATE DA	04 03 28	2505 73 2658	P
30 25 34245	STATE DA	05 03 29	5523 95 3342	P
30 25 34245	STATE DA	06 03 30	12508 229	P
30 25 34245	STATE DA	07 03 28	11248 178 5180	P
30 25 34245	STATE DA	08 03 31	11863 190 3336	P
30 25 34245	STATE DA	09 03 30	10851 211 2977	P

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

January 22, 2003

**Apache Corporation**  
c/o W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

**Telefax No. (505) 982-2047**

*Administrative Order NSL-4831 (SD)*

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRV0-300352435*) dated January 2, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Apache Corporation's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Section 16, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

This 40-acre Grayburg unit is currently dedicated to Apache Corporation's State "C" Tract 12 Well No. 11 (API No. 30-025-35709) located at a standard oil well location 1980 feet from the North line and 330 feet from the West line of Section 16.

It is our understanding that the NW/4 of Section 16 is a single state lease issued by the New Mexico State Land Office (State Lease No. B-01557) with common ownership in which Apache Corporation is the leasehold operator.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other offsetting Penrose Skelly (Grayburg) oil producers within the western 1/2 of its lease. The proposed infill oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within its State "C" Tract 12 state lease that might not otherwise be recovered.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox "infill" oil well location within the SW/4 NW/4 (Unit E) of Section 16 is hereby approved:

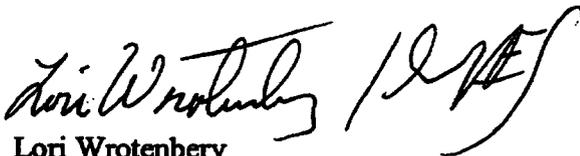
Administrative Order NSL-4831 (SD)  
Apache Corporation  
January 22, 2003  
Page 2

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**State "C" Tract 12 Well No. 12  
1330' FNL & 330' FWL.**

Further, both the existing State "C" Tract 12 Well No. 11 and the proposed State "C" Tract 12 Well No. 12 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,



Lori Wrottenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe



NSL-4831.a

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

February 26, 2004

Lori Wrotenberg  
Director  
Oil Conservation Division

Apache Corporation  
c/o James Bruce  
P. O. Box 1056  
Santa Fe, New Mexico 87504

*Administrative Order NSL-4831-A (SD)*

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-405660259*) dated February 6, 2004 filed on behalf of the operator, Apache Corporation ("Apache"); (ii) your letter dated February 10, 2004 with supplemental data to support this application; (iii) your e-mail to Mr. Michael E. Stogner, Engineer/Hearing Officer with the New Mexico Oil Conservation Division ("Division") in Santa Fe, on Monday morning, February 23, 2004; (iv) your telephone conversation with Mr. Stogner late Monday afternoon, February 23, 2004; (v) your e-mail response to Mr. Stogner on February 23, 2004 (early evening); (vi) Ms. Cindy McGee's e-mail with attachments on Tuesday, February 24, 2004; (vii) your e-mail correspondence with Mr. Stogner on Wednesday, February 25, 2004; and (viii) the Division's records in Santa Fe, including the file on Division Administrative Order NSL-4831 (SD): all concerning Apache Corporation's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Section 16, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico.

**The Division Director Finds That:**

- (1) All of Section 16 is within the Penrose Skelly (Grayburg) Pool; an oil pool governed under Division Rule 104.B (1), which provides for 40-acre oil spacing and proration units and requires wells be located no closer than 330 feet to the outer boundary of such unit.
- (2) The NW/4 of Section 16 is a single state lease issued by the New Mexico State Land Office (State Lease No. B-01557-1) with common ownership in which: (i) Occidental Permian Partnership ("OXY") is the lessee of record; and (ii) Apache is the leasehold operator.
- (3) This 40-acre Grayburg unit is currently simultaneously dedicated to Apache's: (i) State "C" Tract 12 Well No. 11 (API No. 30-025-35709) located at a standard oil well location 1980 feet from the North line and 330 feet from the West line of Section 16; and (ii) State "C" Tract 12 Well No. 12 (API No. 30-025-36115) located at an unorthodox infill oil well location [approved by Division Order NSL-4831 (SD), dated January 22, 2003] 1330 feet from the North line and 330 feet from the West line of Section 16.
- (4) Apache now seeks to drill its State "C" Tract 12 Well No. 18 at an unorthodox infill oil well location within this 40-acre Grayburg unit 2590 feet from the North line and 1270 feet from the West line of Section 16.

(5) The N/2 SW/4 (Units "K" and "L") of Section 16 is a single state lease issued by the New Mexico State Land Office (State Lease No. B-85-16) to Apache. Mineral interests between the two Apache state leases are not common however.

(6) Apache operates the following two wells located on its state lease to the south in the N/2 SW/4 of Section 16:

(a) the State "DA" Well No. 7 (API No. 30-025-35516), located at a standard oil well location 1959 feet from the South line and 2212 feet from the West line of Section 16, is dedicated to a standard 40-acre Grayburg oil spacing and proration unit comprising the NE/4 SW/4 (Unit K) of Section 16; and

(b) the State "DA" Well No. 6 (API No. 30-025-34245), located at a standard oil well location 1980 feet from the South line and 810 feet from the West line of Section 16, is dedicated to a standard 40-acre Grayburg oil spacing and proration unit comprising the NW/4 SW/4 (Unit K) of Section 16.

(7) This request is based on geologic and engineering reasons in that this location is approximately equidistance to other offsetting Penrose Skelly (Grayburg) oil producers within the immediate area.

(8) Apache, OXY, and the New Mexico State Land Office have entered into a "cooperative lease/well agreement" providing for the allocation of proceeds of Penrose Skelly (Grayburg) oil production from Apache's proposed State "C" Tract 12 Well No. 18 in the following manner:

(a) 54.81% attributed to the Apache operated State "C" Tract 12 lease (State lease No. B-1557-1); and

(b) 45.19% attributed to Apache's State "DA" lease (State lease No. B-85-16).

(9) This allocation formula for the proceeds from Apache's proposed State "C" Tract 12 Well No. 18 serves to benefit all mineral interests within the Penrose Skelly (Grayburg) Pool to be impacted by this well's drainage.

(10) Approval of this application is in the best interest of conservation, will serve to prevent waste, protects correlative rights, exhibits sound engineering practices, and allows for the recovery of additional reserves that might not otherwise be produced.

**It Is Therefore Ordered That:**

(1) Pursuant to Division Rule 104.F (2), of the New Mexico Oil Conservation Division's ("Division") Rules and Regulations, the administrative application of Apache Corporation (Apache") (*administrative application reference No. pMES0-405660259*) for its proposed State "C" Tract 12

Apac  
Feb  
P

Well No. 18 to be drilled at an unorthodox oil well location 2590 feet from the North line and 1270 feet from the West line (Unit E) of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, and completed in the Penrose Skelly (Grayburg) Pool (50350), is hereby approved.

(2) For the Division's production reporting, prorationing, and well spacing purposes, Grayburg oil production from the above-described State "C" Tract 12 Well No. 18 is to be simultaneously dedicated, with the following two existing wells, to the SW/4 NW/4 (Unit E) of Section 16, being a standard 40-acre oil spacing and proration unit in the Penrose Skelly (Grayburg) Pool:

(a) Apache's State "C" Tract 12 Well No. 11 (API No. 30-025-35709) located at a standard oil well location 1980 feet from the North line and 330 feet from the West line of Section 16; and

(b) Apache's State "C" Tract 12 Well No. 12 (API No. 30-025-36115) located at an unorthodox oil well location [approved by Division Administrative Order NSL-4831 (SD), dated January 22, 2003] 1330 feet from the North line and 330 feet from the West line of Section 16.

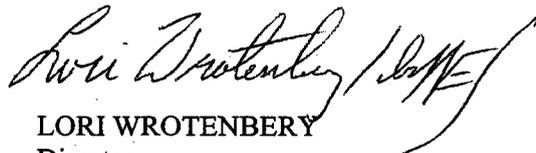
(3) The distribution of proceeds from Penrose Skelly (Grayburg) oil production from Apache's proposed State "C" Tract 12 Well No. 18 are to be allocated in the following manner:

(a) 54.81% attributed to the Apache operated State "C" Tract 12 lease (State lease No. B-1557-1); and

(b) 45.19% attributed to Apache's State "DA" lease (State lease No. B-85-16).

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY  
Director

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSL-4831 (SD)

CMD : ONGARD 02/26/04 13:47:30  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 6637 Eff Date : 04-01-1999 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : ~~24430 LOCKHART A 17~~

Well No : 002  
GL Elevation: 99999

	U/L Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	<u>I</u> 17	21S	37E	FTG 1980 F S FTG	660 F E	P

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 02/26/04 13:47:34  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPX9  
Page No : 1

API Well No : 30 25 6637 Eff Date : 04-30-1991  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24430 LOCKHART A 17 Well No : 002  
Spacing Unit : 24400 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 17 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

-----  
S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn  
-----  
I 17 21S 37E 40.00 N FD  
-----

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/26/04 13:47:41  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 6637 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6637	LOCKHART A 17	01 03 27	9126 343 6999	P
30 25 6637	LOCKHART A 17	02 03 28	9216 359 5684	P
30 25 6637	LOCKHART A 17	03 03 31	10632 366 5893	P
30 25 6637	LOCKHART A 17	04 03 30	10840 294 5552	P
30 25 6637	LOCKHART A 17	05 03 31	10440 297 5413	P
30 25 6637	LOCKHART A 17	06 03 30	10087 283	P
30 25 6637	LOCKHART A 17	07 03 31	10863 267 4811	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:47:44  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 6637 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6637	LOCKHART A 17	08 03 31	11541 283 5203	P
30 25 6637	LOCKHART A 17	09 03 30	10802 248 4538	P
30 25 6637	LOCKHART A 17	10 03 31	11138 250 4430	P
30 25 6637	LOCKHART A 17	11 03 30	9313 253 4030	P

Reporting Period Total (Gas, Oil) : 113998 3243 52553

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

January 22, 2003

**Apache Corporation**  
c/o W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2047

*Administrative Order NSL-4832 (SD)*

Dear Mr. Kellahin:

Reference is made to the following: (i) your application (*application reference No. pKRV0-300352128*) dated January 2, 2003 on behalf of the operator Apache Corporation; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Apache Corporation's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 (Unit I) of Section 17, Township 21 South, Range 37 East, NMPM, Penrose Skelly (Grayburg) Pool (50350), Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

This 40-acre Grayburg unit is currently dedicated to Apache Corporation's Lockhart "A-17" Well No. 2 (API No. 30-025-06637) located at a standard oil well location 1980 feet from the South line and 660 feet from the East line of Section 17.

It is our understanding that the E/2 NE/4 and NE/4 SE/4 of Section 17 comprise a portion of a single federal lease (U. S. Government lease No. LC-032096-A) with common ownership in which Apache Corporation is the leasehold operator.

It is further understood that such unorthodox location is necessitated for geologic and engineering reasons in that this location is approximately equidistance to other offsetting Penrose Skelly (Grayburg) oil producers within the lower 2/3-rds of its lease. The proposed infill oil well location will enable Apache Corporation to further develop and deplete the Grayburg reserves within its Lockhart "A-17" federal lease that might not otherwise be recovered.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox "infill" oil well location within the NE/4 SE/4 (Unit I)

Administrative Order NSL-4832 (SD)  
Apache Corporation  
January 22, 2003  
Page 2

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of Section 17 is hereby approved:

**Lockhart "A-17" Well No. 7  
2630' FSL & 990' FEL.**

Further, both the existing Lockhart "A-17" Well No. 2 and the proposed Lockhart "A-17" Well No. 7 are to be simultaneously dedicated to the subject 40-acre unit.

Sincerely,



Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad

CMD : ONGARD 02/26/04 13:47:50  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 36159 Eff Date : 02-16-2003 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24430 LOCKHART A 17

Well No : 007  
GL Elevation: 3469

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: I	17	21S	37E	FTG 2630 F S FTG	990 F E	A

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 02/26/04 13:47:54  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPX9  
Page No : 1

API Well No : 30 25 36159 Eff Date : 04-30-1991  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24430 LOCKHART A 17 Well No : 007  
Spacing Unit : 24400 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 17 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

-----  
S Base U/L Sec Twp Rng Acreage L/W Ownership Lot Idn  
-----  
I 17 21S 37E 40.00 N FD  
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E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/26/04 13:48:01  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 36159 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 36159	LOCKHART A 17	03 03 31	13483 599 12419	P
30 25 36159	LOCKHART A 17	04 03 29	16015 543 14919	P
30 25 36159	LOCKHART A 17	05 03 31	15577 549 14667	P
30 25 36159	LOCKHART A 17	06 03 30	14890 520	P
30 25 36159	LOCKHART A 17	07 03 31	16283 497 13110	P
30 25 36159	LOCKHART A 17	08 03 31	17777 543 14567	P
30 25 36159	LOCKHART A 17	09 03 30	16638 474 12706	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:48:04  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 36159 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Gas	Oil	Water	Well Stat
30 25 36159	LOCKHART A 17	10 03	30	16326	463	12004	P
30 25 36159	LOCKHART A 17	11 03	29	12973	454	10595	P

Reporting Period Total (Gas, Oil) : 139962 4642 104987

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:45:52  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 6638 Eff Date : 04-01-1999 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24430 LOCKHART A 17

Well No : 003  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: H	17	21S	37E	FTG 1980 F N FTG	660 F E	P

Lot Identifier:  
Dedicated Acre: 40.00  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC



CMD : ONGARD 02/26/04 13:46:06  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 6638 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6638	LOCKHART A 17	01 03 31	449 49	P
30 25 6638	LOCKHART A 17	02 03 28	379 45	P
30 25 6638	LOCKHART A 17	03 03 31	446 46	P
30 25 6638	LOCKHART A 17	04 03 30	454 37	P
30 25 6638	LOCKHART A 17	05 03 31	438 37	P
30 25 6638	LOCKHART A 17	06 03 30	423 35	P
30 25 6638	LOCKHART A 17	07 03 31	455 33	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**BETTY RIVERA**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

December 13, 2002

Apache Corporation  
c/o Mr. W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87501

*Administrative Order No. NSL-4822*

Dear Mr. Kellahin:

Reference is made to your application on behalf of Apache Corporation for an unorthodox oil well location for the proposed Lockhart "A-17" Well No. 6 to be drilled 1330 feet from the North line and 990 feet from the East line (Unit H) of Section 17, Township 21 South, Range 37 East, NMPM, Penrose-Skelly (Grayburg) Pool, Lea County, New Mexico. This application (*Application No. pKRV0-232547572*) was received by the Division on November 21, 2002.

It is our understanding that Apache Corporation proposes to drill the Lockhart "A-17" Well No. 6 to test the Grayburg formation within an existing 40-acre spacing and proration unit comprising the SE/4 NE/4 of Section 17. This unit is currently dedicated to the existing Lockhart "A-17" Well No. 3 (API No. 30-025-06638) located 1980 feet from the North line and 660 feet from the East line (Unit H).

It is further our understanding that the proposed unorthodox location is necessary for geologic and drainage considerations.

This application has been duly filed under the provisions of Division Rule 104.(F), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

Apache Corporation  
Division Order No. NSL-4822  
December 13, 2002  
Page 2.

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By the authority granted me under the provisions of Division Rule 104.F(2), as revised, the above-described unorthodox oil well location is hereby approved.

Sincerely,

  
Lori Wrotenberg  
Division Director

Xc:   OCD-Hobbs  
      Bureau of Land Management-Carlsbad

CMD : ONGARD 02/26/04 13:46:26  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 36101 Eff Date : 01-13-2003 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24430 LOCKHART A 17

Well No : 006  
GL Elevation: 3479

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: H	17	21S	37E	FTG 1330 F N FTG	990 F E	A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 02/26/04 13:46:32  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPX9  
Page No : 1

API Well No : 30 25 36101 Eff Date : 04-30-1991  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24430 LOCKHART A 17 Well No : 006  
Spacing Unit : 24399 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 17 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	H		17	21S	37E	40.00	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/26/04 13:46:41  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 36101 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 36101		01 03		T
30 25 36101	LOCKHART A 17	02 03 28	11447 389 13004	P
30 25 36101	LOCKHART A 17	03 03 28	17551 387 16885	P
30 25 36101	LOCKHART A 17	04 03 30	15339 235 15800	P
30 25 36101	LOCKHART A 17	05 03 30	13715 191 12990	P
30 25 36101	LOCKHART A 17	06 03 30	13846 189	P
30 25 36101	LOCKHART A 17	07 03 31	14911 178 11932	P

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:46:43  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 36101 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 36101	LOCKHART A 17	08 03 31	15842 189 12902	P
30 25 36101	LOCKHART A 17	09 03 30	14828 165 11254	P
30 25 36101	LOCKHART A 17	10 03 31	15236 166 10942	P
30 25 36101	LOCKHART A 17	11 03 30	14034 168 9911	P

Reporting Period Total (Gas, Oil) : 146749 2257 115620

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:46:58  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPX9

API Well No : 30 25 6639 Eff Date : 04-01-1999 WC Status : A  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
OGRID Idn : 873 APACHE CORP  
Prop Idn : 24430 LOCKHART A 17

Well No : 004  
GL Elevation: 3500

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: A	17	21S	37E	FTG 660 F N FTG	660 F E	A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06  
PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD 02/26/04 13:47:05  
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPX9  
Page No : 1

API Well No : 30 25 6639 Eff Date : 04-30-1991  
Pool Idn : 50350 PENROSE SKELLY;GRAYBURG  
Prop Idn : 24430 LOCKHART A 17 Well No : 004  
Spacing Unit : 24386 OCD Order : Simultaneous Dedication:  
Sect/Twp/Rng : 17 21S 37E Acreage : 40.00 Revised C102? (Y/N) :  
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	A		17	21S	37E	40.00	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 02/26/04 13:47:16  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 1

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 6639 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6639	LOCKHART A 17	01 03		S
30 25 6639	LOCKHART A 17	02 03		S
30 25 6639	LOCKHART A 17	03 03		S
30 25 6639	LOCKHART A 17	04 03		S
30 25 6639	LOCKHART A 17	05 03		S
30 25 6639	LOCKHART A 17	06 03		S
30 25 6639	LOCKHART A 17	07 03		S

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 02/26/04 13:47:19  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPX9  
Page No: 2

OGRID Identifier : 873 APACHE CORP  
Pool Identifier : 50350 PENROSE SKELLY;GRAYBURG  
API Well No : 30 25 6639 Report Period - From : 01 2003 To : 12 2003

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 6639	LOCKHART A 17	08 03		S
30 25 6639	LOCKHART A 17	09 03		S
30 25 6639	LOCKHART A 17	10 03		S
30 25 6639	LOCKHART A 17	11 03		S

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM  
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. - 308  
ORDER NO. R-98-B

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO ON ITS OWN  
MOTION FOR AN ORDER (a) REVISING AND  
AMENDING SECTIONS 'G', 'H', 'J', 'M', 'N',  
AND 'O' OF ORDER NO. 850; AND (b) PERMITT-  
ING THE ADOPTION OF SUCH OTHER CHANGES  
AND AMENDMENTS IN OTHER RULES NECESSARY  
AND PROPER TO GIVE FULL FORCE AND EFFECT  
TO THE REVISIONS AND AMENDMENTS CONTEM-  
PLATED.

NUNC PRO TUNC ORDER OF THE COMMISSION

It appearing to the Commission that the order heretofore entered in the  
above entitled cause is not a correct memorial of the judgment as rendered and  
announced by this Commission in that Appendix B of said order, through inadvertence  
and clerical error, established gas-oil ratio limits pursuant to Rule 506, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	2000
Eunice, South	2000
Penrose-Skelly	2000
Vacuum	2000

when it should have been shown, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No Limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly,  
Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now  
primarily gas reservoirs; Provided that the oil produced with the gas shall not  
be in excess of the current top unit allowable; and provided further that the gas pro-  
duced from said pools shall be put to beneficial use so as not to constitute waste,  
except as to proration units in said pools for which there are no facilities for the  
marketing or application to beneficial use of the gas produced therefrom. As to  
such proration units the limiting gas-oil ratio in effect immediately prior to the

Case No. 308  
Order No. R-98-B

effective date of the order herein shall apply.

THEREFORE, it is hereby ordered that the order heretofore entered by this Commission in the above entitled cause on June 24, 1952, be, and the same hereby is corrected to conform to the actual findings announced and rendered by the Commission by modifying Appendix B to read, as follows:

<u>POOL</u>	<u>GAS-OIL RATIO LIMIT</u>
Hardy	No limiting gas-oil ratio
Eunice, South	"
Penrose-Skelly	"
Vacuum	2500

No limiting gas-oil ratio shall be applied in Hardy, Penrose-Skelly, Langlie-Mattix, Rhodes, Cooper-Jal and South Eunice Pools in Lea County, now primarily gas reservoirs; Provided that the oil produced with the gas shall not be in excess of the current top unit allowable; and provided further that the gas produced from said pools shall be put to beneficial use so as not to constitute waste, except as to proration units in said pools for which there are no facilities for the marketing or application to beneficial use of the gas produced therefrom. As to such proration units the limiting gas-oil ratio in effect immediately prior to the effective date of the order herein shall apply, and said order in all other respects is hereby ratified and confirmed, and,

IT IS FURTHER ORDERED, That this order correcting the record of said order be entered nunc pro tunc as of the 24th day of June, 1952, that being the date when said order was originally made and entered.

DONE this 24th day of July, 1952.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

S E A L