



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

Date: May 22, 2002

Mr Doug O'Neil
Apache Corporation
2000 Post Oak Blvd
Suite 100
Houston, TX 77056-4400

Ref: Administrative Applications for Salt Water Disposal

This letter acknowledges the receipt of your two (2) administrative applications dated April 22, 2002, for Salt Water Disposal in the Argo No. 6 and Argo No. 7 wells located in Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. The division received your applications April 24, 2002.

Our preliminary review indicates that the information provided in the applications is very helpful but still not sufficient to process the administrative orders. The following information is necessary:

- 1) The Apache operated Argo No. 10 produces gas (and lots of water) from the same formation being permitted for injection within the ½ mile radius of review. Please notify us of your intentions concerning this situation.
- 2) Our records indicate wells with inadequate casing cement coverage over the permitted injection zone. Please provide evidence of adequate cement tops over all wells within the ½ mile area of review. The following is a list of problem wells we have currently identified:
NEDU No. 604 – top of cement 4650 by CBL in 1989.
NEDU No. 610 – top of cement 5457 by CBL in 1988.
NEDU No. 705 – undefined top of cement, needs CBL.
- 3) Please provide a well bore diagram of recently plugged and abandoned NEDU No. 608.

Since the submitted information is insufficient to review, the applications have been **Ruled Incomplete on May 22, 2002**. Please submit the above stated information by May 29th, 2002.

The Division can not proceed with your applications until the required information is submitted. Upon receipt, the Division will continue to process your applications. The additional information can be faxed (505-476-3471), or mailed to the Division. If the necessary information is not submitted, your applications will be returned to you.

If you have any questions, please contact me in Santa Fe, at 505-476-3448.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Jones", with a long horizontal flourish extending to the right.

William V Jones Jr PE
Petroleum Engineer
Oil Conservation Division

Section 167121517E Lea City NA									
API	Well Name	NS Fig	EW Fig	UL	Operator	OGRI	Prop	Pool	Formation/Notes
30-025-06914	m NE DRINKARD UNIT #602	1900N	660W	E	APACHE CORP	873 22503	22900		Active Zone 2001
30-025-06931	m NE DRINKARD UNIT #604	2310N	960W	E	APACHE CORP	873 22503	22900		Active Zone 2001
30-025-06611	m STATE S #604	660N	2300W	D	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06612	m STATE S #605	660N	960W	C	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06697	m L G WARLUCK C #006	1650S	2140E	J	MARATHON OIL CO	14021	6482	29830	SIMPSON
30-025-06586	m STATES S #001	660N	960W	D	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06587	m STATES S #002	1900N	1800W	F	APACHE CORP	873 24122	0		
30-025-06913	m NE DRINKARD UNIT #608	3390S	4520E	E	SHELL	20676	10115	0	PLUGGED & ABANDONED - 1979
30-025-06590	m NE DRINKARD UNIT #608	1900N	1800W	F	APACHE CORP	873 22503	22900		0 PRA 10-5-2001
30-025-06602	m NE DRINKARD UNIT #705	2210N	2310W	G	APACHE CORP	873 22503	22900		
30-025-06603	m STATE S #004	330S	2310W	N	APACHE CORP	873 22785	0		0 PB TO ABC 1-27-1986
30-025-06604	ARGO #006	1650S	2310W	K	APACHE CORP	873 23103	0		
30-025-06605	ARGO #008	660S	2310W	N	APACHE CORP	873 23103	0		
30-025-06606	ARGO #009	1800S	760W	L	APACHE CORP	873 23103	70000		SAN ANDRES
30-025-06607	ARGO #011	2000S	1650W	K	APACHE CORP	873 23103	50350		GRAYBURG

500' 150SX
 * 592, Prof S.A. - new TOC = 3050' (CBL)

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30-025-06931	m NE DRINKARD UNIT #604	2310N	960W	E	APACHE CORP	873 22503	22900		Active Zone 2001
30-025-06611	m STATE S #604	660N	2300W	D	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06612	m STATE S #605	660N	960W	C	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06697	m L G WARLUCK C #006	1650S	2140E	J	MARATHON OIL CO	14021	6482	29830	SIMPSON
30-025-06586	m STATES S #001	660N	960W	D	TEXACO EXPLORATION INC	22351	11110	50350	GRAYBURG
30-025-06587	m STATES S #002	1900N	1800W	F	APACHE CORP	873 24122	0		
30-025-06913	m NE DRINKARD UNIT #608	3390S	4520E	E	SHELL	20676	10115	0	PLUGGED & ABANDONED - 1979
30-025-06590	m NE DRINKARD UNIT #608	1900N	1800W	F	APACHE CORP	873 22503	22900		0 PRA 10-5-2001
30-025-06602	m NE DRINKARD UNIT #705	2210N	2310W	G	APACHE CORP	873 22503	22900		
30-025-06603	m STATE S #004	330S	2310W	N	APACHE CORP	873 22785	0		0 PB TO ABC 1-27-1986
30-025-06604	ARGO #006	1650S	2310W	K	APACHE CORP	873 23103	0		
30-025-06605	ARGO #008	660S	2310W	N	APACHE CORP	873 23103	0		
30-025-06606	ARGO #009	1800S	760W	L	APACHE CORP	873 23103	70000		SAN ANDRES
30-025-06607	ARGO #011	2000S	1650W	K	APACHE CORP	873 23103	50350		GRAYBURG

500' 150SX
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Section 15/721SR37E Lea City NM										Oil/2001 Water/2001									
API	Well Name	NS Fig	EW Fig	UL	Operator	OGRID	Prop	Pool	Formation/ Notes	Active Zone 2001	Plug Date	Gas2000	Oil2000	Water2000	Gas2001	Oil2001	Water2001		
30-025-09914	m NE DRINKARD UNIT #602	1980N	660W	E	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		37484	342	15762	33914	284	8143		
30-025-06591	m NE DRINKARD UNIT #604	2310N	990W	E	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		34895	1600	14091	29165	1574	8628		
30-025-06611	m STATE S #004	660N	2080W	C	TEXACO EXPLORATION & PRODUCTION INC	22351	11110	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		0	0	0	11778	3156	2461		
30-025-06612	m STATE S #005	660N	990W	D	TEXACO EXPLORATION & PRODUCTION INC	22351	11110	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		36608	1572	35448	11701	1498	24228		
30-025-06597	m LG WARLUCK C #006	1650S	2140E	J	MARATHON OIL CO	14021	6482	29830	SIMPSON	HARE SIMPSON		17896	97	142	7194	489	487		
30-025-06586	m STATE S #001	660N	660W	D	TEXACO EXPLORATION & PRODUCTION INC	22351	11110	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		293	1451	366	1474	1621	334		
30-025-06585	m CITIES S STATE #002	1980N	1980W	F	APACHE CORP	873	24122	0			1983-11-22	0	0	0	0	0	0		
30-025-09913	m NE DRINKARD UNIT #603	3390S	4520E	E	SHELL	20676	10115	0	PLUGGED & ABANDONED			0	0	0	0	0	0		
30-025-06590	m NE DRINKARD UNIT #608	1980N	1880W	F	APACHE CORP	873	22503	0	P&A 10-5-2001			0	0	0	0	0	0		
30-025-06588	m NE DRINKARD UNIT #610	2210N	2310W	G	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06602	m NE DRINKARD UNIT #705	330S	2310W	N	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06589	m STATE S #004	2310N	990E	H	APACHE CORP	873	27783	0	0 PB TO ABO 1-27-1988			0	0	0	0	0	0		
30-025-06603	ARGO #006	1650S	2310W	K	APACHE CORP	873	23103	0				0	0	0	0	0	0		
30-025-09915	ARGO #007	2310S	990E	L	APACHE CORP	873	23103	0				0	0	0	0	0	0		
30-025-06604	ARGO #008	660S	2310W	N	APACHE CORP	873	23103	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		9150	1719	603	9674	2066	5562		
30-025-06605	ARGO #009	330S	990W	M	APACHE CORP	873	23103	0				0	0	0	0	0	0		
30-025-06606	ARGO #010	1880S	780W	L	APACHE CORP	873	23103	78080	SAN ANDRES	HARE, SAN ANDRES (GAS)		868	0	1390286	1581	0	22976		
30-025-06607	ARGO #011	2080S	1650W	K	APACHE CORP	873	23103	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		17017	1562	8763	22289	3491	16144		
30-025-06608	ARGO #012	400S	550W	M	APACHE CORP	873	23103	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		0	0	0	0	0	0		
30-025-06596	m LG WARLUCK C #005	330S	2310E	O	MARATHON OIL CO	14021	6482	7980		BRUNSON, ELLENBURGER		30862	1353	12422	22710	606	8721		
30-025-06598	m LG WARLUCK C #007	405S	2310E	O	MARATHON OIL CO	14021	6482	50350	GRAYBURG	PENROSE SKELLY, GRAYBURG		2635	459	7653	4683	402	4669		
30-025-06599	m LG WARLUCK C #008	1650S	990E	I	MARATHON OIL CO	14021	6482	0	ABO			0	0	0	0	0	0		
30-025-34413	NE DRINKARD UNIT #519	189N	155E	A	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		68657	2591	10249	27563	1427	12323		
30-025-34598	NE DRINKARD UNIT #522	132N	2484E	B	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		60982	8540	33792	52096	5404	40104		
30-025-34886	NE DRINKARD UNIT #524	160N	1350W	C	APACHE CORP	873	22503	22900	BLINEBRY/TUBB/DRINKARD	EUNICE BL-TU-DR, NORTH		38945	2108	54741	50597	2778	79902		
30-025-06614	NE DRINKARD UNIT #601	600N	990W	D	APACHE CORP	873	22503	0				0	0	0	0	0	0		
30-025-06613	NE DRINKARD UNIT #605	760N	1980W	C	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06587	NE DRINKARD UNIT #606	3375S	3225E	F	APACHE CORP	873	22503	22900	DRINKARD / CONVERT TO WIW	EUNICE BL-TU-DR, NORTH		222	192	3796	0	0	0		
30-025-06610	NE DRINKARD UNIT #609	660N	1980E	B	APACHE CORP	873	22503	22900	BLNB-TUBB-DRKD / CONV TO WIW	EUNICE BL-TU-DR, NORTH		9766	1616	654	0	0	0		
30-025-09912	NE DRINKARD UNIT #611	1980N	1978E	G	APACHE CORP	873	22503	22900	BLNB-TUBB-DRKD/CONVERTED TO WIW	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-20567	NE DRINKARD UNIT #612	660N	660E	A	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-09919	NE DRINKARD UNIT #613	1980N	660E	H	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		16640	1817	4124	13602	1372	2376		
30-025-34656	NE DRINKARD UNIT #618	1290N	1330E	B	APACHE CORP	873	22503	22900	BLINEBRY/DRINKARD	EUNICE BL-TU-DR, NORTH		55133	4330	74301	48681	2639	54982		
30-025-34410	NE DRINKARD UNIT #619	1300N	155E	A	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		52880	3825	51917	25488	3787	48714		
30-025-34650	NE DRINKARD UNIT #620	2515S	1501E	J	APACHE CORP	873	22503	22900	BLINEBRY-DRINKARD	EUNICE BL-TU-DR, NORTH		77479	8308	17341	51394	6099	4300		
30-025-34649	NE DRINKARD UNIT #622	1229N	2498W	C	APACHE CORP	873	22503	22900	BLINEBRY-DRINKARD	EUNICE BL-TU-DR, NORTH		69060	5976	101003	48975	3859	99768		
30-025-34657	NE DRINKARD UNIT #623	2540S	2482W	K	APACHE CORP	873	22503	22900	BLINEBRY-DRINKARD	EUNICE BL-TU-DR, NORTH		58323	2986	31003	31812	2586	36919		
30-025-34687	NE DRINKARD UNIT #624	1250N	1368W	C	APACHE CORP	873	22503	22900	BLINEBRY/TUBB/DRINKARD	EUNICE BL-TU-DR, NORTH		63681	2488	22673	78595	2649	33639		
30-025-35271	NE DRINKARD UNIT #625	2580N	1300W	E	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	15123	1900	8074		
30-025-09916	NE DRINKARD UNIT #701	1980S	660W	L	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		3845	331	1892	6405	1402	7669		
30-025-09911	NE DRINKARD UNIT #702	660S	660W	M	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		33236	3207	12562	17973	2326	8362		
30-025-09918	NE DRINKARD UNIT #703	1980S	1980W	K	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-09917	NE DRINKARD UNIT #704	660S	1980W	N	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD / CONV TO WIW	EUNICE BL-TU-DR, NORTH		3001	834	11730	0	0	0		
30-025-06592	NE DRINKARD UNIT #706	1980S	1980E	J	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		44928	569	546	22125	230	576		
30-025-06601	NE DRINKARD UNIT #707	1725S	2149E	J	APACHE CORP	873	22503	22900	BLINEBRY-TUBB-DRINKARD	EUNICE BL-TU-DR, NORTH		2472	390	727	0	0	0		
30-025-06593	NE DRINKARD UNIT #708	660S	1980E	O	APACHE CORP	873	22503	22900	BLNB-TUBB-DRKD / CONV TO WIW	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06595	NE DRINKARD UNIT #709	1980S	660E	I	APACHE CORP	873	22503	22900	DRINKARD / CONVERTED TO WIW	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06600	NE DRINKARD UNIT #710	990S	990E	P	APACHE CORP	873	22503	22900		EUNICE BL-TU-DR, NORTH		11889	315	1864	22360	424	3052		
30-025-06594	NE DRINKARD UNIT #711	660S	660E	P	APACHE CORP	873	22503	22900	0 BLINEBRY/TUBB/DRINKARD	EUNICE BL-TU-DR, NORTH		28126	1569	523	18379	1069	1230		
30-025-34688	NE DRINKARD UNIT #713	1330S	1142W	L	APACHE CORP	873	22503	22900	0 BLINEBRY/TUBB/DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-35272	NE DRINKARD UNIT #714	1195S	2398W	N	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-35273	NE DRINKARD UNIT #715	1281S	1075E	P	APACHE CORP	873	22503	22900	DRINKARD	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-34742	NE DRINKARD UNIT #718	14S	1098E	P	APACHE CORP	873	22503	22900	BLINEBRY-DRINKARD	EUNICE BL-TU-DR, NORTH		24381	2458	2698	107061	8568	37405		
30-025-33547	STATE #001	1340N	330W	E	YALE E KEY, INC	19797	28411	0	SALADO	EUNICE BL-TU-DR, NORTH		0	0	0	0	0	0		
30-025-06609	STATE S #002	660N	1980W	C	TEXACO EXPLORATION & PRODUCTION INC	22351	11110	0				5722	1504	710	0	0	0		

Hare (SA) 5m-1000 (new) 1A @ 3/14/01



TWO WARREN PLACE, SUITE 1500 / 6120 SOUTH YALE / TULSA, OK 74136-4224

[918] 491-4900
FAX: [918] 491-4853
FAX: [918] 491-4854

October 30, 2002

New Mexico Oil Conservation Division
1220 South Francis St.
Santa Fe, NM 87505

Re: Administrative Applications for Salt Water Disposal
Argo No. 6
Argo No. 7

Gentlemen,

Apache Corporation would like to re-submit the attached applications for salt water disposal in the Argo No. 6 and Argo No. 7. The original application was previously denied and returned to Apache after cement tops on the NEDU 604, NEDU 610W and NEDU 705 were found to be either undocumented or insufficient to cover the permitted injection intervals as proposed in the applications. A copy of that letter notification is attached. Since that time, remedial cementing procedures have been either completed or are in progress to place sufficient cement behind the production casing in these wells to prevent upward migration of injected fluids. Apache Corporation would now like the application to be considered again for administrative approval.

In addition to the standard application requirements, several additional items are attached. Remedial work on the NEDU 610W has been completed with a copy of the C-103 attached. Procedures for remedial cementing of NEDU 604 and NEDU 705 are also attached. These remedial cementing procedures are based on several conversations and verbal approvals obtained from the Oil Conservation Division Office in Hobbs while working on NEDU 610W. Work on NEDU 604 is almost complete, and work on NEDU 705 will commence about October 31, 2002. Appropriate paperwork will be filed upon completion of the work.

Your assistance in processing this application is greatly appreciated. If you require additional information, please contact Brent Lowery (918) 491-4826.

A handwritten signature in black ink that reads "Brent L. Lowery". The signature is fluid and cursive, with a long, sweeping underline.

Brent Lowery
Sr. Production Engineer
Apache Corporation