

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 1259

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address APACHE CORP Two Warren Place, Suite 1500 Tulsa, OK 74136-4224		OGRID Number 873
		API Number 30-025-36786
Property Code 26483	Property Name STATE DA	Well No. 010

Surface Location

UL or Lot J	Section 16	Township 21S	Range 37E	Lot Idn J	Feet From 2310	N/S Line S	Feet From 1550	E/W Line E	County Lea
----------------	---------------	-----------------	--------------	--------------	-------------------	---------------	-------------------	---------------	---------------

Proposed Pools

PENROSE SKELLY,GRAYBURG 50350

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3473
Multiple N	Proposed Depth 4350	Formation Grayburg	Contractor	Spud Date

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	400	325	
Prod	7.875	5.5	17	4350	800	

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Lana Williams

Title: Manager

Date: 07/27/2004

Phone: 918-491-4900

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 07/29/2004

Expiration Date: 07/29/2005

Conditions of Approval:

There are conditions. See Attached.