<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 20599

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| 1. Opera | tor Name and Address | 2. OGRID Number | | |
|----------------------------------|----------------------|-----------------|--|--|
| AI | 873 3. API Number | | | |
| 6120 S. YALE TULSA , OK 74136 | | | | |
| 101 | JA, OK 74130 | 30-025-37608 | | |
| 4. Property Code | 5. Property Name | 6. Well No. | | |
| 34816 | 048 | | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| F | 2 | 22S | 37E | F | 1880 | N | 1650 | W | LEA |

8. Pool Information

| EUNICE;SAN ANDRES, SOUTH | 24170 |
|--------------------------|-------|
| PENROSE SKELLY:GRAYBURG | 50350 |

Additional Well Information

| | 9.2 | THOUSAND IN CHI THEOTH | utaor. | 127 |
|-----------------------------------------------|----------------------------|------------------------------------------|---------------------------|------------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3368 |
| 14. Multiple Y | 15. Proposed Depth 4650 | 16. Formation San Andres | 18. Spud Date 1/3/2006 | |
| Depth to Ground v 56 | water . | Distance from nearest fresh water > 1000 | well | Distance to nearest surface water > 1000 |
| Pit: Liner: Synthetic X Closed Loop System | | Clay Pit Volume: 7100 bbls | | Diesel/Oil-based Gas/Air |

19. Proposed Casing and Cement Program

| I | Гуре | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|---|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| | Surf | 11 | 8.625 | 24 | 400 | 290 | 0 |
| I | Prod | 7.875 | 5.5 | 17 | 4650 | 950 | 0 |

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

| 2 | 1 Toposca Dionoat I I | evendon i rogram | 30 30 |
|-----------|-----------------------|------------------|--------------|
| Туре | Working Pressure | Test Pressure | Manufacturer |
| DoubleRam | 2000 | 3000 | 2 |

| I hereby certify that the information give of my knowledge and belief. I further certify that the drilling pit v | 8. 7 80 | OIL CONSERVATION DIVISION | | | | |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------|-----------------------------|--|--|--|
| NMOCD guidelines, a general per OCD-approved plan | mit X, or an (attached) alternative | Approved By: Chris Williams | | | | |
| Printed Name: Electronically file | d by Lana Williams | Title: District Supervisor | | | | |
| Title: Sr. Department Clerk | 131 | Approved Date: 12/29/2005 | Expiration Date: 12/29/2006 | | | |
| Email Address: lana.williams@ap | oachecorp.com | | | | | |
| Date: 12/29/2005 | Phone: 918-491-4900 | Conditions of Approval Attac | hed | | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 20599

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number | 2. Pool Code | 3. Pool Name |
|---------------------------|---------------------------|--------------------------|
| 30-025-37608 | 24170 | EUNICE;SAN ANDRES, SOUTH |
| 4. Property Code 34816 | 5. Property NEW MEXICO | |
| 7. OGRID No. 873 | 8. Operator APACHE (| |

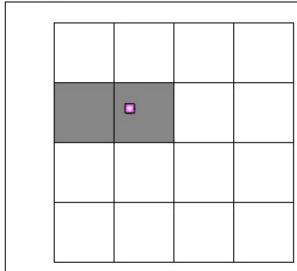
10. Surface Location

| Š | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|--|
| | F | 2 | 22S | 37E | 6 | 1880 | N | 1650 | w | LEA | |

11. Bottom Hole Location If Different From Surface

| | 11. Down 100 Bodwii II Daiciell I Ion Salace | | | | | | | | | | |
|-----------------------------------------|----------------------------------------------|----------|-----------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
| 100000000000000000000000000000000000000 | cated Acres | 13. | Joint or Infill | | 14 | . Consolidation (| Code | | | 15. 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



OPERATOR CERTIFICATION

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

E-Signed By: Lana Williams Title: Sr. Department Clerk

Date: 12/29/2005

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.

Surveyed By: RONALD EIDSON Date of Survey: 12/17/2004

Certificate Number: 3239

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Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| VV | ELL LOCATION AND ACK | EAGE DEDICATION FL. | AI |
|------------------|----------------------|---------------------|--------------|
| 1. API Number | 2. Pool Code 3. Po | | l Name |
| 30-025-37608 | 50350 | PENROSE SKEL | LY;GRAYBURG |
| 4. Property Code | 5. Property | / Name | 6. Well No. |
| 34816 | NEW MEXIC | OSSTATE | 048 |
| 7. OGRID No. | 8. Operato | r Name | 9. Elevation |
| 873 | APACHE | CORP | 3368 |

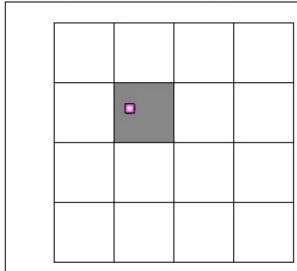
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11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | | Range | Lot Idn | | Feet From | N/S Line | | Feet From | E/W Line | County |
|------------------------------|---------|----------|---------------------|-------|------------------------|--|-----------|---------------|--|-----------|----------|--------|
| 12. Dedicated Acres 40.00 | | | 13. Joint or Infill | | 14. Consolidation Code | | | 15. Order No. | | | | |

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Date: 12/29/2005

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Surveyed By: RONALD EIDSON Date of Survey: 12/17/2004 Certificate Number: 3239

Permit Conditions of Approval

Operator: APACHE CORP , 873
Well: NEW MEXICO S STATE #048

30-025-37608 API:

| OCD Reviewer | Condition |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| DMULL | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |
| DMULL | Will require administrative order for Simultaneous Dedication. Sharing acreage with other wells. |
| DMULL | Will require DHC administrative order for downhole commingling before multiple zones can be produced by commingling in the wellbore. |