<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u>

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 R in Besson Rd Agter, NM 87410

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

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-101 August 1, 2011

Permit 157307

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

| 1. Op | erator Name and Address | 2. OGRID Number | |
|--|-------------------------|-----------------|--|
| 9900000 | APACHE CORP | 873 | |
| 303 Veterans Airpark Lane Midland, TX 79705 | | 3. API Number | |
| 141 | Island, 171 / / / / / | 30-025-40849 | |
| 4. Property Code | 5. Property Name | 6. Well No. | |
| 22503 NORTHEAST DRINKARD UNIT | | 263 | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| C | 3 | 218 | 37E | 6 | 3345 | N | 1620 | W | LEA |

8. Proposed Bottom Hole Location

| | | 507 | | | | | | | 507 |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| A | 3 | 21S | 37E | 11 | 3345 | N | 1620 | W | Lea |

9. Pool Information

| EUNICE:BLI-TU-DR, NORTH | 22900 |
|-------------------------|-------|
|-------------------------|-------|

Additional Well Information

| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lesse Type Private | 15. Ground Level Elevation 3473 |
|---------------------------|----------------------|-----------------------------------|------------------------|------------------------------------|
| 16. Multiple N | 17. Proposed Depth | 18. Formation Drinkard | 19. Contractor | 20. Spud Date |
| Depth to Ground | water | Distance from nearest fresh water | r well | Distance to nearest surface water |

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 11 | 8.625 | 24 | 1330 | 490 | 0 |
| Prod | 7.875 | 5.5 | 17 | 7000 | 1000 | 0 |

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

| The second secon | | out I I I I I I I I I I I I I I I I I I I | | _ |
|--|------------------|---|--------------|---|
| Type | Working Pressure | Test Pressure | Manufacturer | |
| Hydril | 3000 | 2000 | | 1 |

| best of my knowledge and bel- | | OIL CONSERVATION DIVISION Approved By: ELIDIO GONZALES | | |
|--|---|---|----------------------------|--|
| I further certify I have comp 19.15.14.9 (B) NMAC Ⅺ, if | olied with 19.15.14.9 (A) NMAC 🛮 and/or applicable. | | | |
| Signature: | | | | |
| Printed Name: Electronic | ally filed by Bobby Smith | Title: HOBBS STAFF MAN | AGER | |
| Title: | | Approved Date: 11/6/2012 | Expiration Date: 11/6/2014 | |
| Email Address: bobby.sr | nith@apachecorp.com | | | |
| Date: 11/2/2012 | Phone: 432-818-1020 | Conditions of Approval Atta | ched | |

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District III

Energy, Minerals and Natural Resources
Oil Conservation Division

State of New Mexico

1220 S. St Francis Dr.

Santa Fe, NM 87505

n

August 1, 2011 Permit 157307

Form C-102

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| W | ELL LOCATION AND ACK | LAGE DEDICATION | FLAI |
|------------------|----------------------|-----------------|-----------------|
| 1. API Number | 2. Pool Code | 3 | . Pool Name |
| 30-025-40849 | 22900 | EUNICE;B | LI-TU-DR, NORTH |
| 4. Property Code | 5. Property | Name | 6. Well No. |
| 22503 | NORTHEAST DRI | NKARD UNIT | 263 |
| 7. OGRID No. | 8. Operator | Name | 9. Elevation |
| 873 | APACHE | CORP | 3473 |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| С | 3 | 21S | 37E | 11 | 3345 | N | 1620 | W | LEA |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot I | dn | Feet From | N/S Line | Feet From | E/W Line | County |
|------------|-------------|----------|----------------|-------|-----|-----------------|----------|-----------|---------------|--------|
| Vientings. | cated Acres | 13. 3 | oint 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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Bobby Smith

Title:

Date: 11/2/2012

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: GARY JONES Date of Survey: 9/14/2012 Certificate Number: 7977

Permit Comments

Operator: APACHE CORP , 873
Well: NORTHEAST DRINKARD UNIT #263

API: 30-025-40849

| Created By | Comment | Comment Date |
|------------|---|--------------|
| VBROWN | On the printout of the APD, the Lot ID shows "6" - it should be "11". Thanks. | 11/2/2012 |
| CHERRERA | OCD RECEIVED FORM C144 CLEZ. OCD PERMIT # P1-05408 | 11/6/2012 |

Permit Conditions of Approval

Operator: APACHE CORP , 873
Well: NORTHEAST DRINKARD UNIT #263

API: 30-025-40849

| OCD Reviewer | Condition |
|-----------------|--|
| CHERRERA | 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 |
| CHERRERA | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |