District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone:(3/3) /48-1283 Fax:(3/3) /48-9/20 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

State of New Mexico

Santa Fe, NM 87505

Form C-101 August 1, 2011

Permit 161938

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

APAC	Name and Address CHE CORP	2. OGRID Number 873		
303 Veterans Airpark Lane Midland, TX 79705		3. API Number 30-015-41054		
4. Property Code	5. Property Name	6. Well No.		
308701 A STATE		074		

7. Surface Location

	7. Surface Escation								
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	25	17S	28E	E	1740	N	860	W	EDDY

8. Proposed Bottom Hole Location

	()			rioposee	Dottom II	ore motures.		9	
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	25	17S	28E	E	1740	N	860	W	Eddy

9. Pool Information

ARTESIA; GLORIETA-YESO (O)	96830
----------------------------	-------

Additional Well Information

11. Work Type New Well	12. Wett		13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3684
16. Multiple N	27/01/2019	sed Depth	18. Formation Yeso Formation	19. Contractor	20. Spud Date
Depth to Ground	water		Distance from nearest fresh water	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	12.25	8.625	24	400	300	
Prod	7.875	5.5	17	5700	960	

Casing/Cement Program: Additional Comments

22 Proposed Rlowout Prevention Program

	ZZ. I Toposcu Dion	out literention lingiam	
Type	Working Pressure	Test Pressure	Manufacturer
Usedeil	2000	2000	

best of my knowledge and belie		OIL CONSERVATION DIVISION Approved By: Randy Dade		
I further certify I have compl 19.15.14.9 (B) NMAC ⊠, if a	ied with 19.15.14.9 (A) NMAC 🛮 and/or pplicable.			
Signature:				
Printed Name: Electronica	lly filed by Bobby Smith	Title: District Supervisor	(2)	
Title:		Approved Date: 2/5/2013	Expiration Date: 2/5/2015	
Email Address: bobby.sm	ith@apachecorp.com			
Date: 2/5/2013 Phone: 432-818-1020		Conditions of Approval Attached		

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
DISTRICT III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fnx: (505) 334-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

□AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30 - 015 —		968	ool Code 30		Ar	tesia; L	lleriete	Lyeso (0)
Property Code 30870/				Propert A ST	y Name			4-1-	Well Number 74
				Operato		<i>r</i>			Elevation
0grid no. 873			APAC	CHE CO	RPO	RATION			3684'
				Surface	Locatio				
UL or lot No. Section	Township	Range	Lot Idn	Feet from		North/South line	Feet from the 860	East/West line WEST	County EDDY
E 25	17 - S	28-E		1740		NORTH		WES1_	EDD1
UL or lot No. Section	Township	Range	Lot Idn	e Location If		ent From Surface North/South line	Feet from the	East/West line	County
DE OF IOF INC.	Township	Range	Cot Iun	rect from	inc	1401th/South line	r cct from the	Luse West IIIIc	County
Dedicated Acres Joint or 40 NO ALLOWABLE WILL BE ASSIGN		l consolidation Coo		er No.					
0998		SEODETIC COO NAD 27 SURFACE LO Y=658076 X=560886 LAT.=32.808 LONG.=104.1. LAT.=32*48 .ONG.=104*0	NME DCATION 3.6 N 3.3 E 3990° N 35156° W				I hereby complete to that this or unleased in proposed to well at this of such mit pooling agheretofore Signature ViCI Printed N VICKI. E-mail A SUR' I hereby cover to the condend and correct	location pursuant to a neral or working intererement or a compulso entered by the division of the control of th	on herein is true and edge and belief, and a working interest or and including the has a right to drill this contract with an owner st. 2/4/3 Date Checorp. com IFICATION tion shown on this plat tual surveys made by that the same is true ef. 8, 2013

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M. **EDDY COUNTY** NEW MEXICO 600' MARBOB FWY ST. **NORTHEAST** #3 P&A <u>245'</u> NORTHWEST E PAD CORNER PAD CORNER 3684.4' 3685.5 MARATHON 25 STATE #6 **PROPOSED** WELL PAD **EXISTING** A STATE #74 WELL PAD ELEV. 3684.3' LAT.=32.808990° N LONG.=104.135156° W LAT.=32° 48' 32" N LONG.=104° 08' 07" W SOUTHEAST PAD CORNER SOUTHWEŚT 3677.4" PAD CORNER CONOCO BPL 3677.4 ENTERPRISE BPL 600 100 100 200 Feet DIRECTIONS TO LOCATION Scale: 1"=100' FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #209 (TURKEY TRACT) GO NORTH APPROX. 0.7 MILES. TURN RIGHT APACHE CORPORATION AND GO EAST APPROX. 0.7 MILES. TURN RIGHT AND GO SOUTH APPROX. 0.1 MILES TO THIS LOCATION. A STATE #74 WELL LOCATED 1740 FEET FROM THE NORTH LINE AND 860 FEET FROM THE WEST LINE OF SECTION 25, PROVIDING SURVEYING SERVICES TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., SINCE 1946 EDDY COUNTY, NEW MEXICO JOHN WEST SURVEYING COMPANY 412 N. DAL PASO Survey Date: 1/18/13 CAD Date: 1/23/13

W.O. No.: 13110025

Rev: .

Rel. W.O.:

Drawn By: AF

Sheet 1 of 1

C ABEL\2012\APACHE CORPORATION\Wells

HOBBS, N.M. 88240

www.jwsc.biz

(575) 393-3117

Permit Comments

Operator: APACHE CORP , 873 Well: A STATE #074 API: 30-015-41054

Created By	Comment	Comment Date	
CSHAPARD	Land s/S	2/5/2013	
CSHAPARD	Land p/S	2/5/2013	

Permit Conditions of Approval

Operator: APACHE CORP , 873 Well: A STATE #074 API: 30-015-41054

OCD Reviewer	Condition
CSHAPARD	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