

DATE 11/20/01	SUSPENSE 12/10/01	ENGINEER MS	LOGGED IN KV	TYPE <i>Amend</i> NSP	APP NO. 0132546671
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
 WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSP-Non-Standard Location] [NSL-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS-Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

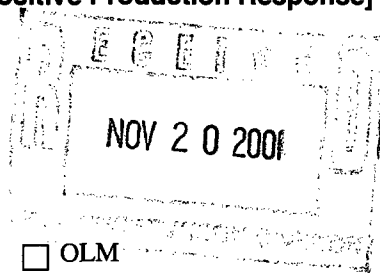
[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☒ NSP ☒ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____



[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application if One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Lee R. White
 Print or Type Name

Lee R. White
 Signature

Engineering Manager
 Title

11/19/01
 Date

Lee.White@Apachecorp.com
 e-mail Address



November 19, 2001

Attn: Michael E. Stogner
State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Application to Amend the Non-Standard Proration Unit
Administrative Order NSP-1823 (L) (SD)
Owen 'B' No. 4 and No. 6
Blinebry Oil & Gas Pool (Pro Gas) (72480)
Lea County, New Mexico**

Apache Corporation respectfully requests administrative approval to amend the referenced Non-Standard proration unit in the Blinebry Oil & Gas Pool (Pro Gas). We request a reduction from a 120-acre proration unit to 80-acres and simultaneous dedication of the 80 acres to the Owen 'B' No. 4 and Owen 'B' No. 6. The 80-acres consists of the E/2 SW/4 of Section 34, Township 21 South, Range 37 East.

To support this request we submit the following information:

- 1) Apache recently directionally drilled the Owen 'B' No. 10 well and completed it in the Blinebry Oil & Gas pool. The well was permitted as a gas well and included in the Non-Standard proration unit referenced but is producing 14 BOPD x 370 MCFD which classifies it ~~as an oil well~~.
- 2) Owen 'B' No. 10 is located 1137' FSL & 495' FWL of Section 34 at the surface and 2222' FSL & 706' FWL at the bottom. The well is perforated in the Blinebry pool 5606' - 5853'. The top perfs are located 2168' FSL & 692' FWL and the bottom perfs are located 2190' FSL & 698' FWL of Section 34. The proration unit from which the No. 10 well is producing is Unit L. This unit is included in the existing 120-acre non-standard proration unit.

- 3) Please note your correspondence, dated May 22, 2001, to correct the existing NSP-1823 (L) (SD) identifies the unit as consisting of the W/2 SW/4 and SE/4 SW/4 of Section 34. The non-standard unit in fact consists of the N/2 SW/4 and SE/4 SW/4 of Section 34. Unit M of Section 34, the SW/4 SW/4 of Section 34 is dedicated to the Owen 'B' No. 1 well, classified as an oil well in the Blinebry Oil & Gas pool.
- 4) Owen 'B' No. 4 located at a standard gas well location 660' FSL & 1980' FWL (Unit N) of Section 34 and Owen 'B' No. 6 located at an unorthodox location 1980' FSL & 2180' FWL (Unit K) of Section 34 have a combined marginal production rate of 190 – 200 MCFD and are located on the east 80-acres of the Owen 'B' lease which consists of 160-acres in its entirety.
- 5) NM-OCD Form C-102 for the Owen 'B' No. 4
- 6) NM-OCD Form C-102 for the Owen 'B' No. 6
- 7) Plats of Section 34 with Owen 'B' Lease (consisting of 160 acres) outlined
- 8) Copy of letter sent (by Certified Mail) to all Offset operators in Section 34

If you have any questions or require additional information regarding this application, please contact me at 713-296-6338 or via e-mail at Debra.Anderson@apachecorp.com Thank you.

Sincerely,

APACHE CORPORATION



Debra J. Anderson
Sr. Engineering Technician

Attachments

cc: New Mexico Oil Conservation Division
District I
1625 N. French Drive
Hobbs, New Mexico 88240

District I
1625 N. French Drive, Hobbs, NM 88240

District II
P O Drawer DD, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Instruction on Back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-06999		2 Pool Code 72480		3 Pool Name Blinebry Oil and Gas (Pro Gas)	
4 Property Code 22879		5 Property Name Owen 'B'			6 Well Number 4
7 OGRID No. 000873		8 Operator Name Apache Corporation			9 Elevation 3435

10 Surface Location

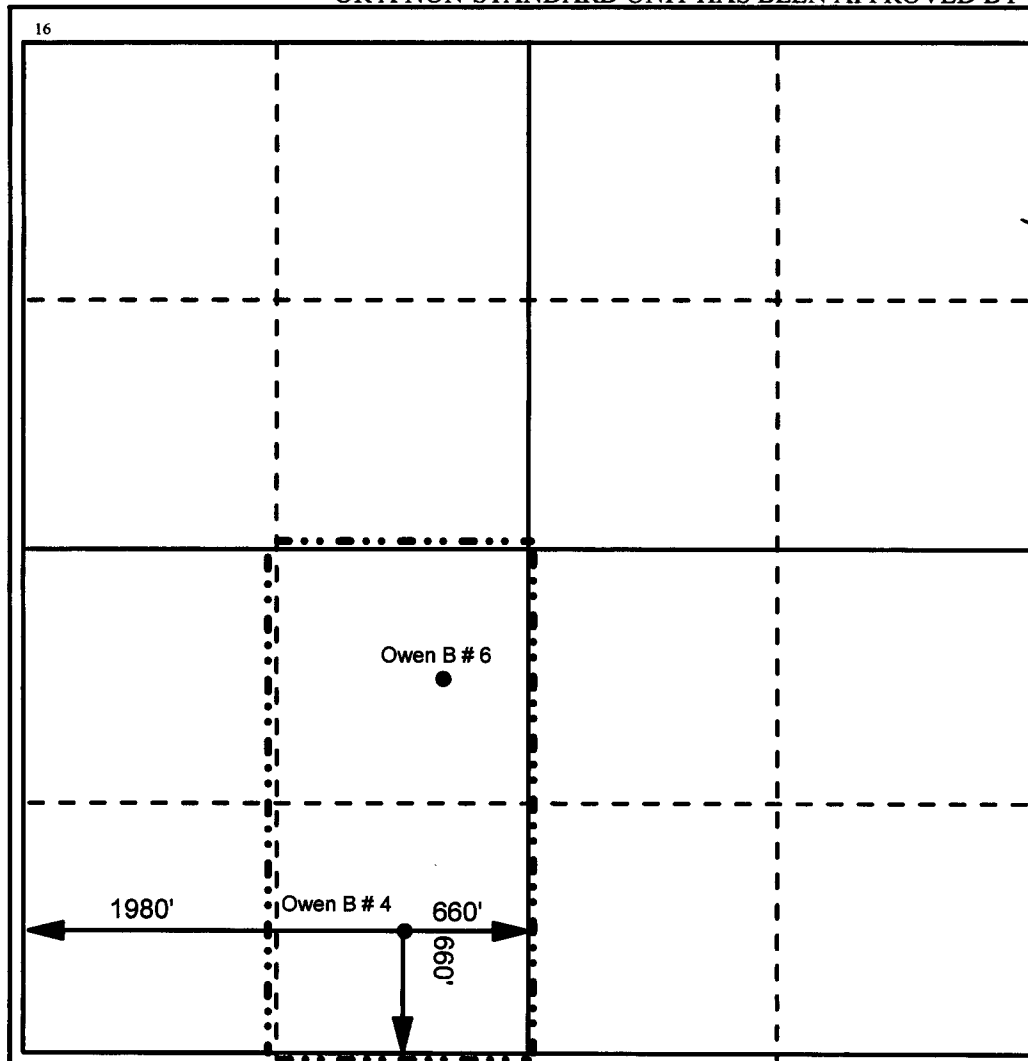
UL or Lot No. N	Section 34	Township 21S	Range 37E	Lot Idn	Feet from the 660	North/South line South	Feet from the 1980	East/West line West	County Lea
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11 Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 80	13 Joint or Infill	14 Consolidation Code	14 Order No.
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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



17 OPERATOR CERTIFICATION

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

Signature
Debra J. Anderson
Printed Name
Debra J. Anderson
Title
Sr. Engineering Technician
Date
11/19/01

18 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.

Date Surveyed
Signature and Seal of Professional Surveyor

Certificate Number

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 18, 1994
Instruction on Back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
P O Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

District III
1000 Rio Brazos Rd., Aztec, NM 87410

☐ AMENDED REPORT

District IV
1220 South St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-34321		2 Pool Code 72480		3 Pool Name Blinebry Oil and Gas (Pro Gas)	
4 Property Code 22879		5 Property Name Owen 'B'			6 Well Number 6
7 OGRID No. 000873		8 Operator Name Apache Corporation			9 Elevation 3429

10 Surface Location

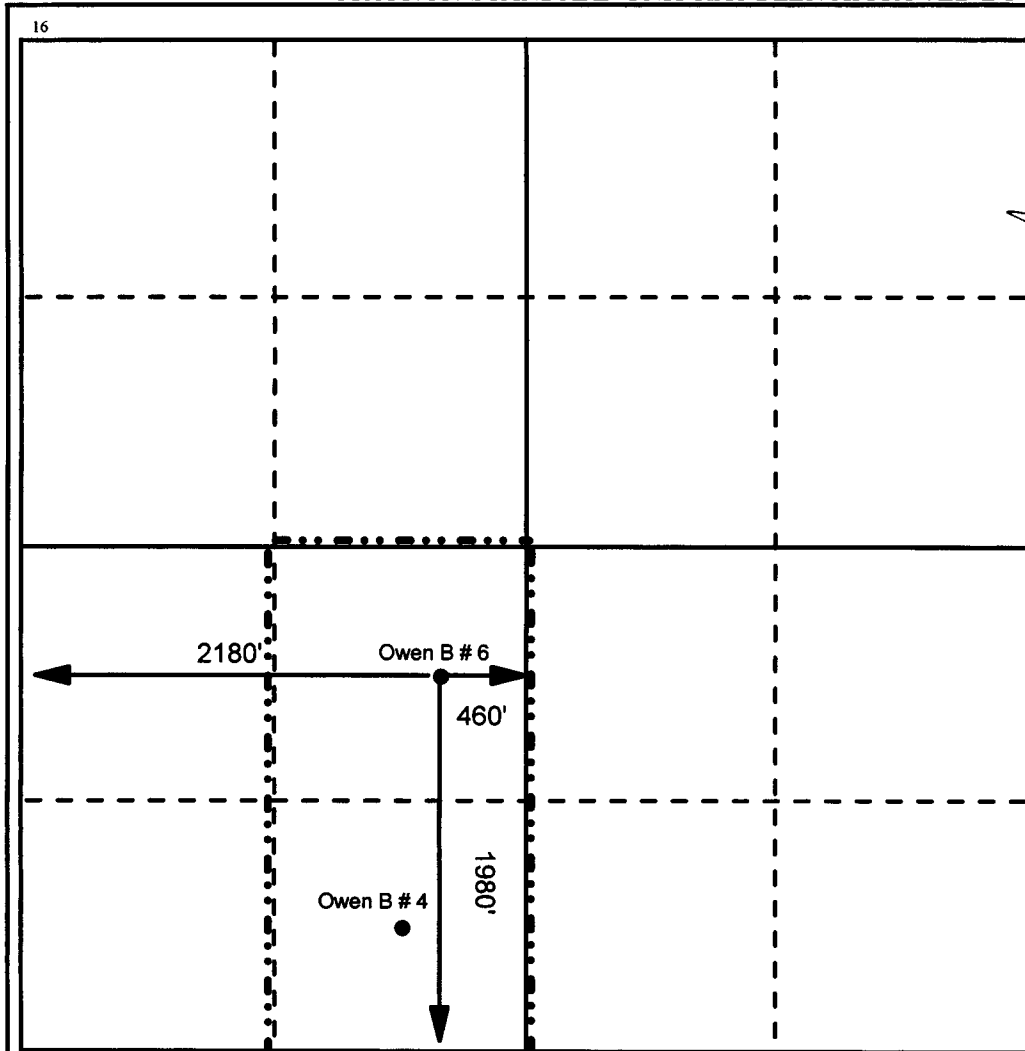
UL or Lot No. K	Section 34	Township 21S	Range 37E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 2180	East/West line West	County Lea
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11 Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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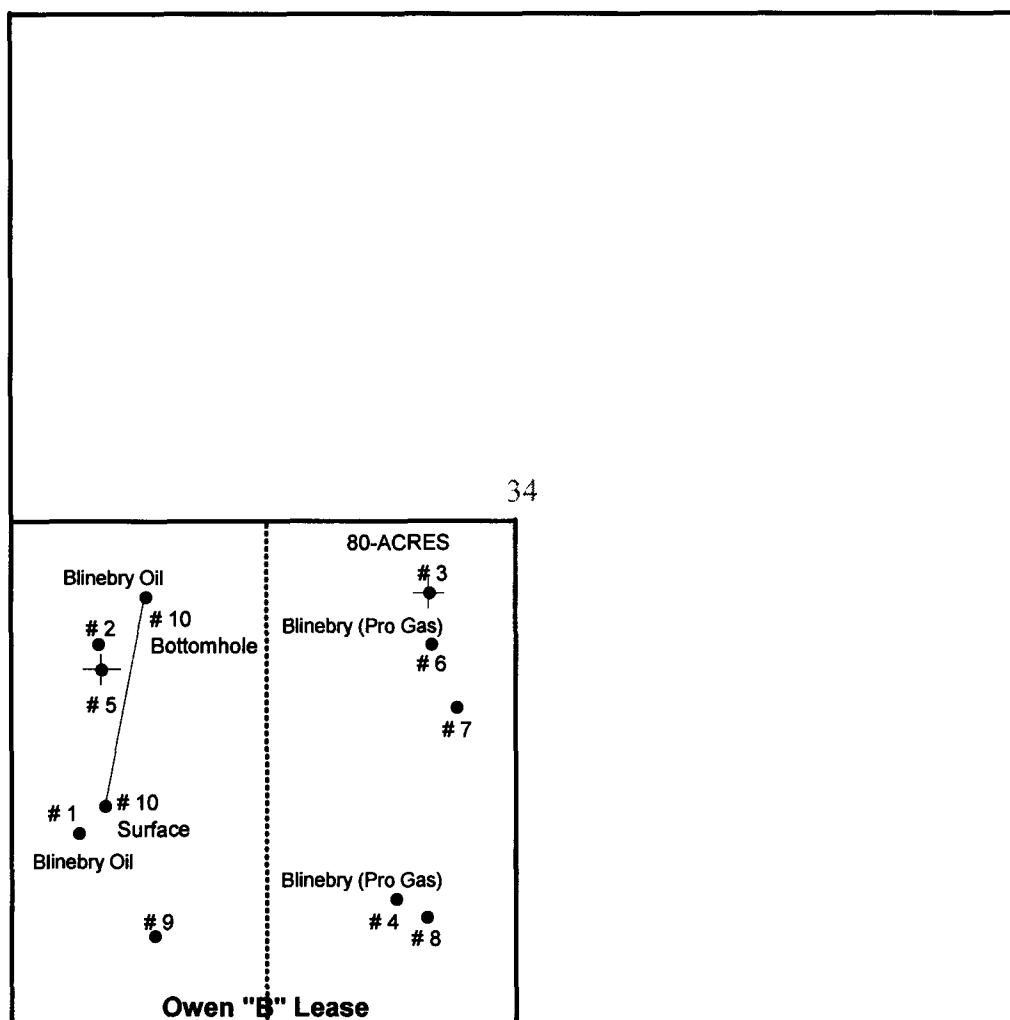
17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature <i>Debra J. Anderson</i>
Printed Name Debra J. Anderson
Title Sr. Engineering Technician
Date 11/19/01

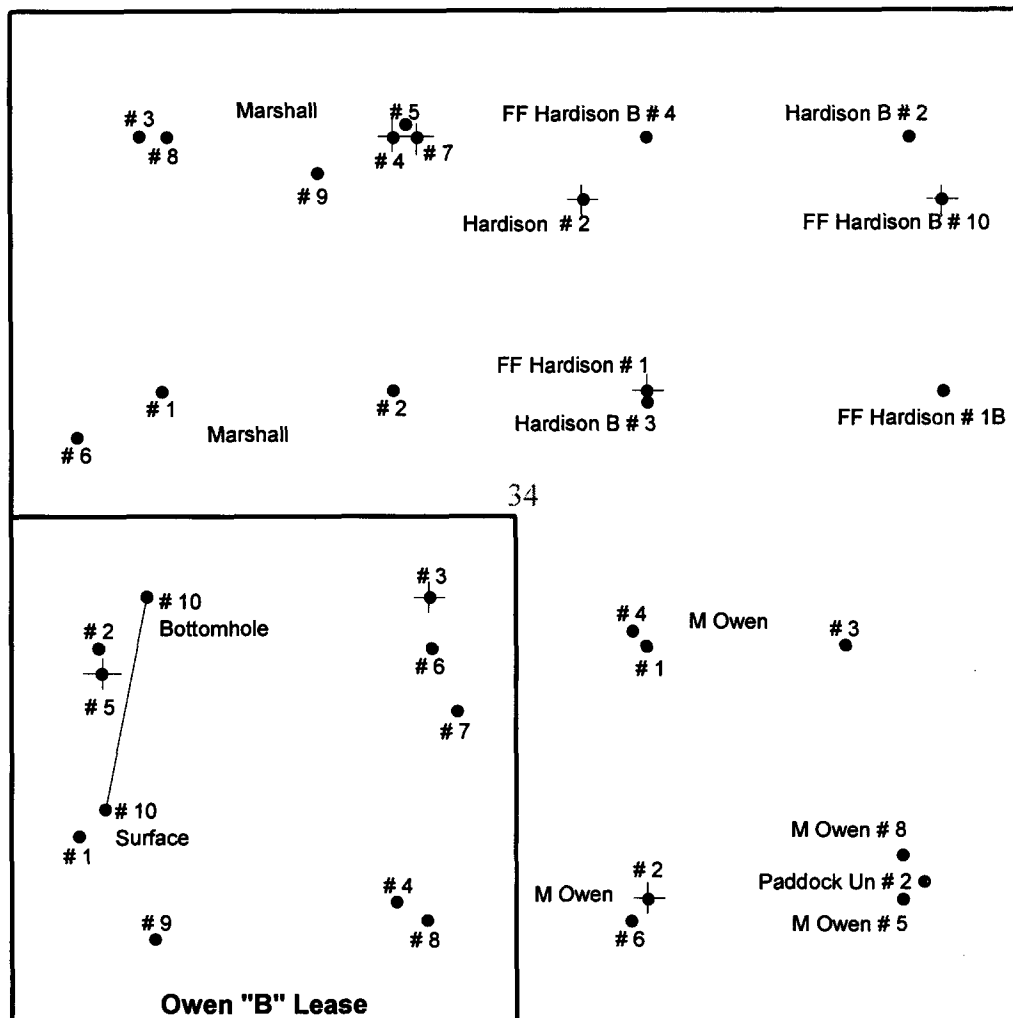
18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed
Signature and Seal of Professional Surveyor

Certificate Number

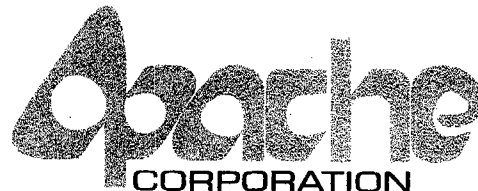


OWEN 'B' LEASE
NO. 4 AND NO.6
NON-STANDARD PRORATION UNIT
SECTION 34 / T21S / R37E
LEA COUNTY, NEW MEXICO
SCALE: 1" = 1000'



SECTION 34
T21S - R37E
LEA COUNTY, NEW MEXICO
SCALE: 1" = 1000'

2000 POST OAK BOULEVARD / SUITE 100 / HOUSTON, TEXAS 77056-4400



WWW.APACHECORP.COM
(713) 296-6000

November 19, 2001

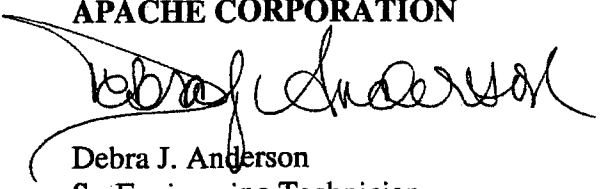
Offset Operators

**Re: Application to Amend Non-Standard Proration Unit
NSP-1823 (L) (SD)
Owen 'B' Lease
Well No. 4 and No. 6
Blinebry Oil & Gas (Pro Gas) Pool
Lea County, New Mexico**

Attached please find a copy of an application to amend the existing Non-Standard Proration Unit that Apache Corporation has filed with the New Mexico Oil Conservation Division. If you have an objection to this application, you must notify the OCD in writing within 20 days from the date of this letter.

Sincerely,

APACHE CORPORATION



Debra J. Anderson
Sr. Engineering Technician

Attachments

**OFFSET OPERATORS
OWEN 'B' LEASE
SECTION 34
T-21S, R-37E
LEA COUNTY, NEW MEXICO**

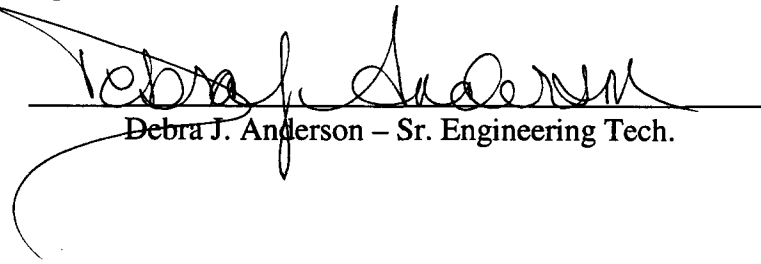
Chevron USA Inc.
P O Box 1150
Midland, Texas 79702
Certified Receipt # 7000-2870-0000-2222-3689

ExxonMobil
P O Box 4697
Houston, Texas 77210-4697
Certified Receipt # 7000-2870-0000-2222-3696

John H Hendrix Corporation
Box 3040
Midland, Texas 79702-3040
Certified Receipt # 7000-2870-0000-2222-3702

Titan Resources
500 W. Texas, Suite 500
Midland, Texas 79701
Certified Receipt # 7000-2870-0000-2222-3719

A copy of the application to amend the non-standard proration unit was mailed to the Offset Operators above on November 19, 2001.



Debra J. Anderson – Sr. Engineering Tech.

11-19-01
Date