LOGGED IN DO ILO

TYPE PC

RPAG 1328751727

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



JCD

5 P 1: 54

		ADMINISTRATIVE APP	LICATION CHECKLIST	
TI	HIS CHECKLIST IS MA	NDATORY FOR ALL ADMINISTRATIVE APPLIC WHICH REQUIRE PROCESSING A	CATIONS FOR EXCEPTIONS TO DIVISION RULE T THE DIVISION LEVEL IN SANTA FE	S AND REGULATIONS
Applic	[DHC-Down [PC-Pool	dard Location] [NSP-Non-Standard hole Commingling] [CTB-Lease ( ol Commingling] [OLS - Off-Lease [WFX-Waterflood Expansion] [PM [SWD-Salt Water Disposal] [I	I Proration Unit] [SD-Simultaneous I Commingling] [PLC-Pool/Lease Cor Storage] [OLM-Off-Lease Measurd IX-Pressure Maintenance Expansion] IPI-Injection Pressure Increase] Ication] [PPR-Positive Production I	mmingling] \ ement]
[1]	TYPE OF AP	PLICATION - Check Those Which Location - Spacing Unit - Simultan NSL NSP SD		
	Check [B]	One Only for [B] or [C]  Commingling - Storage - Measuren  DHC CTB PLC		
	[C]	Injection - Disposal - Pressure Incre WFX PMX SWD	ease - Enhanced Oil Recovery D	9 0 5
	[D]	Other: Specify		y Ö
[2]	NOTIFICATI [A]	ON REQUIRED TO: - Check Tho Working, Royalty or Overriding	se Which Apply, or Does Not Apply ng Royalty Interest Owners	Apache Corp Six wells
	[B]	Offset Operators, Leaseholder	s or Surface Owner	30-025-40797 Lusik 34 Fed *1H
	[C]	Application is One Which Red	quires Published Legal Notice	Lusik 34 Fed *111 30-025-40693
	[D]	Notification and/or Concurren U.S. Bureau of Land Management - Commission	t Approval by BLM or SLO	Lusk 34 Fed #2H
	[E]	For all of the above, Proof of I	Notification or Publication is Attached	, and/or, 30-625-37357
	[F]	Waivers are Attached		30-025-31358
[3]	SUBMIT ACC OF APPLICA	CURATE AND COMPLETE INFO	ORMATION REQUIRED TO PRO	SE LUSK 34 *3 CESS THE TYPE 35-62-5 -37680 SE LUSK 34 * 4
	val is <b>accurate</b> ar		mation submitted with this application edge. I also understand that <b>no action</b> are submitted to the Division.	for administrative
	Note:	Statement must be completed by an indivi	idual with managerial and/or supervisory cap	acity.
	A HOLLAND FISHER or Type Name	Signature Signature	SR STAFF REG TECH Title	10/9/2013 Date
	LUSK	34 WELLS	Reesa.Holland@apachecor	p.com

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

District II 811 S. First St., Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

E-MAIL ADDRESS: \_\_\_Reesa.Holland@apachecorp.com

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

### OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION I	FOR SURFACE O	COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME: Apache C	Corporation				
OPERATOR ADDRESS: 303 Veter	ans Airpark Lane Mic	iland TX 79705			
APPLICATION TYPE:			LU	JSK 34 FEDERAL LE	EASES
☑ Pool Commingling ☐ Lease Comminglin	g Pool and Lease Con	nmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)
	State				
Is this an Amendment to existing Order					
Have the Bureau of Land Management  ⊠Yes □No	(BLM) and State Land	office (SLO) been not	ified in writing o	of the proposed comm	ingling
		L COMMINGLINGS with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Lusk; Bone Spring, South (41460)	38 degrees				SEE
Lusk; Delaware, East (41520)	39 degrees				ATTACHED
,					THE THE PARTY OF T
(4) Measurement type:  Metering (5) Will commingling decrease the value of (1) Pool Name and Code. (2) Is all production from same source of (2)	(B) LEAS Please attach sheets	⊠No If "yes", descri	$\mathbf{G}$	ing should be approved	
(3) Has all interest owners been notified by (4) Measurement type:   Metering	certified mail of the prop		□Yes □N	0	
		LEASE COMMIN			
(1) Complete Sections A and E.					
(I		ORAGE and MEA ts with the following			
(1) Is all production from same source of s			mormanon		
(2) Include proof of notice to all interest o	— —				
(E) AI		RMATION (for all swith the following in		pes)	
(1) A schematic diagram of facility, include	ling legal location.				
(2) A plat with lease boundaries showing a (3) Lease Names, Lease and Well Number		ons. Include lease numbe	ers if Federal or Sta	ate lands are involved.	
I hereby certify that the information above is	true and complete to the	heet of my knowledge an	d balief		
SIGNATURE: Lesa Fish		best of my knowledge an  TLE:Sr Staff Regulate		DATE:10	/9/2013_
TYPE OR PRINT NAME REESA	HOLLAND FISHER			LEPHONE NO.: 432-8	

October 7, 2013

#### Working Interest Owners

RE: Request for Approval to Surface (Pool) Commingle

Federal Lease Serial No. NMNM01135

Southeast Lusk 34 Federal #1 (possible recompletion to Lusk; Bone Spring, South Pool)

Southeast Lusk 34 Federal #2 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #3 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #5 (Lusk; Delaware, East Pool) Lusk 34 Federal #1H (Lusk; Bone Spring, South Pool)

Lusk 34 Federal #1H (Lusk; Bone Spring, South Pool)

Township 19 South, Range 32 East;

Section 34: W1/2

Lea County, New Mexico

#### Dear Interest Owners,

Apache Corporation ("Apache") hereby requests your approval to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1 (API No. 30-025-36439), 2 (API No. 30-025-37357), 3 (API No. 30-025-37358) and 5 (API No. 30-025-37680), Lusk 34 Federal Well Nos. 1H (API No. 30-025-40797) and 2H (API No. 30-025-40693), all located in the W½ of Section 34, Township 19 South, Range 32 East, Lea County, New Mexico. Apache plans to set a 3-phase separator for the vertical wells to flow through prior to commingling production from said wells with the horizontal wells at the Lusk 34 Federal No. 1H Battery, which is located on the referenced lands. This flow plan will allow Apache to meter production from the vertical wells separately from production from the horizontal wells. As for allocating production among the vertical wells, Apache requests your approval to allocate using monthly well tests (See attached Addition of Wells 1, 2, 3, & 5 Piping Plan and Details).

Please be aware that the working interest ownership is not identical among the wells and, therefore, in order to commingle production from each well at the surface and account for each well's production in the manner proposed above, Apache must first obtain approval from the affected interest owners.

Apache believes that commingling will not decrease the value of production from each well. Additionally, Apache believes commingling will prevent waste and promote conservation by utilizing the same tank battery equipment for each well, thereby reducing the incremental investment capital that would otherwise be needed to build a separate facility for each well containing difference in ownership and, as a result, will extend the economic life of the wells and leases.

Please evidence your approval of Apache's proposal by executing Page 2 and returning one (1) copy to my attention using the enclosed prepaid envelope provided for your convenience. Should you have any questions, please do not hesitate to contact me at (432) 818-1093.

Sincerely,

APACHE CORPORATION

Michelle Hanson Landman

(432) 818-1190 fax

Michelle.hanson@apachecorp.com

Marille Hamon

Page 2 - Request for Approval to Surface (Pool) Commingle Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 Lusk 34 Federal Well Nos. 1H and 2H October 7, 2013

The undersigned hereby approves to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 and Lusk 34 Federal Well Nos. 1H and 2H and further approves to account for each well's production in the manner set forth in this letter. This approval is subject to final approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Company:		
Ву:		
Title:		
Date:	·	

Form 3160-5 (March 2012)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVEI	)
OMB No. 1004-013	37
Euripean October 21	20

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMNM01135
6. If Indian, Allottee or Tribe Name

SUBMIT	T IN TRIPLICATE – Other	instructions on pag	re 2.		7. If Unit of CA/Agree	ement, Name and/or No.	
2 Name of Operator	/ell Other				See Below		
8. Well Name and No.		(41520)					
	R.,M., or Survey Description	)				State	
12. CHEC	CK THE APPROPRIATE BO	OX(ES) TO INDICAT	E NATURE O	F NOTIC	CE, REPORT OR OTH	ER DATA	
TYPE OF SUBMISSION			TYPE	OF ACT	ION		
Subsequent Report	Alter Casing Casing Repair Change Plans	Fracture Ti New Const Plug and A	ruction	Recla	nmation mplete porarily Abandon	Well Integrity  Other SURFACE	E
the proposal is to deepen direction Attach the Bond under which the v following completion of the involv testing has been completed. Final determined that the site is ready fo  Apache would like to Surface Comr  Lusk 34 Federal #1H 30-025-40 Lusk 34 Federal #2H 30-025-40 SE Lusk 34 Federal #1 30-025-37 SE Lusk 34 Federal #2 30-025-37 SE Lusk 34 Federal #3 30-025-37 SE Lusk 34 Federal #5 30-025-37	ally or recomplete horizontal work will be performed or proved operations. If the operation Abandonment Notices must or final inspection.)  mingle the following wells, marked Bone Spring marked Bone Spri	Ily, give subsurface lo ovide the Bond No. o ion results in a multip be filed only after all  per the attached inf  Active Active Active Active Active Active Active	reations and mean file with BLM le completion or requirements, in D-34-198 C-34-198 E-34-198 D-34-198	asured ar I/BIA. F r recomp ncluding S-32E 49 S-32E 35 S-32E 15 S-32E 17 S-32E 35	d true vertical depths of true vertical depths of the dequired subsequent regletion in a new interval reclamation, have been so FNL 360 FWL 30 FNL 40 FWL 50 FNL 530 FWL 30 FNL 530 FWL	of all pertinent markers and zo ports must be filed within 30 d l, a Form 3160-4 must be filed	ones. lays l once
	true and correct. Name (Printe		e Sr. Staff Re	g Tech			
Signature Rossa J	ishar	Dat	e 10/09/2013				
	THIS SPACE	FOR FEDERA	L OR STAT	E OF	FICE USE		
·· ·						Date	
that the applicant holds legal or equitable entitle the applicant to conduct operations	title to those rights in the subjet thereon.	ect lease which would	Office				
Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or repr			knowingly and v	willfully 1	o make to any departme	ent or agency of the United State	s any false,

Well Name	API	Formation	Status
Lusk 34 Federal #1H	3002540797	Bone Springs	ACTIVE
Lusk 34 Federal #2H	3002540693	Bone Springs	ACTIVE
Southeast Lusk 34 Federal #1	3002536439	Morrow/Atoka (Recompleting to Bone Springs)	ACTIVE, awaitng AFE approval to recomplete
Southeast Lusk 34 Federal #2	3002537357	' Cherry Canyon	ACTIVE
Southeast Lusk 34 Federal #3	3002537358	3 Cherry Canyon	ACTIVE
Southeast Lusk 34 Federal #5	3002537680	Cherry Canyon	ACTIVE

Page 1 of 8 10/2/2013 2:28:20 pm

Select By: Field

All well tests between 04/01/2013 - 09/30/2013 Display:

Test	Effective	Measured	Туре			24 Hour Volum	es				Ratios			Fluid
Date	Date	Hours	1,700	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (N	MARINER)													
LUSK 34 FED	ERAL #1H													
4/6/2013	4/6/2013	24	Α	10,424	244	78	10,180	192	320	7	787	18	26	
4/7/2013	4/7/2013		A	2,178	237	112	1,941	181	473	51	764	83	135	
4/9/2013	4/9/2013		A	1,149	185	63	964	116	341	55	627	101	156	
4/10/2013	4/10/2013		A	1,116	235	56	881	186	238	50	791	167	217	
4/16/2013	4/16/2013		A	582	172	90	410	182	523	155	1,058	313	467	
4/17/2013	4/17/2013		A	587	183	157	404	108	858	267	590	184	451	
4/21/2013	4/21/2013		A	660	220	87	440	192	395	132	873	291	423	
4/22/2013	4/22/2013		A	390	203	106	187	199	522	272	980	510	782	
4/23/2013	4/23/2013		A	381	170	70	211	175	412	184	1,029	459	643	
4/24/2013	4/24/2013		A	742	195	72	547	142	369	97	728	191	288	
4/25/2013	4/25/2013		A	887	207	10	680	216	48	11	1,043	244	255	
4/26/2013	4/26/2013		A	853	224	167	629	219	746	196	978	257	453	
4/27/2013	4/27/2013		A	933	235	39	698	201	166	42	855	215	257	
4/29/2013	4/29/2013		A	916	208	19	708	197	91	21	947	215	236	
5/1/2013	5/1/2013		A	835	209	170	626	197	813	204	943	236	440	
5/3/2013	5/3/2013	24	A	835	209	27	626	198	129	32	947	237	269	
5/4/2013	5/4/2013		A	747	204	107	543	183	525	143	897	245	388	
5/5/2013	5/5/2013		Α	848	217	146	631	213	673	172	982	251	423	
5/7/2013	5/7/2013	24	A	796	240	100	556	283	417	126	1,179	356	481	
5/15/2013	5/15/2013	24	Α	659	179	11	480	208	61	17	1,162	316	332	
5/16/2013	5/16/2013		A	609	174	65	435	203	374	107	1,167	333	440	
5/17/2013	5/17/2013	24	A	646	179	71	467	222	397	110	1,240	344	454	
5/18/2013	5/18/2013		A	591	190	74	401	219	389	125	1,153	371	496	
5/19/2013	5/19/2013	24	A	666	186	90	480	215	484	135	1,156	323	458	
5/20/2013	5/20/2013	24	A	758	212	149	546	225	703	197	1,061	297	493	
5/22/2013	5/22/2013		A	657	196	109	461	215	556	166	1,097	327	493	
5/23/2013	5/23/2013		A	562	188	122	374	206	649	217	1,096	367	584	
5/28/2013	5/28/2013		A	694	203	101	491	214	498	146	1,054	308	454	
5/29/2013	5/29/2013		A	664	194	199	470	230	1,026	300	1,186	346	646	
5/31/2013	5/31/2013		A	600	171	108	429	203	632	180	1,187	338	518	
6/2/2013	6/2/2013	24	A	721	179	182	542	230	1,017	252	1,285	319	571	
6/3/2013	6/3/2013	24	A	494	148	73	346	190	493	148	1,284	385	532	
6/4/2013	6/4/2013	24	A	193	93	53	100	170	570	275	1,828	881	1,155	
6/6/2013	6/6/2013	24	A	469	178	91	291	205	511	194	1,152	437	631	
6/7/2013	6/7/2013	24	A	328	112	4	216	191	36	12	1,705	582	595	
6/8/2013	6/8/2013	24	A	309	77	170	232	197	2,208	550	2,558	638	1,188	
6/9/2013	6/9/2013	24	A	498	128	147	370	200	1,148	295	1,563	402	697	

<sup>\*\*</sup> All values are recorded using imperial units.

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Select By:

Display:

Field

All well tests between 04/01/2013 - 09/30/2013

Test	Effective	Measured	Туре			24 Hour Volume	s				Ratios			Fluid Level
Date	Date	Hours	Турс	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (M	ARINER)													
LUSK 34 FED	ERAL #1H													
6/10/2013	6/10/2013	24	Α	542	129	65	413	195	504	120	1,512	360	480	
6/11/2013	6/11/2013		A	406	107	72	299	210	673	177	1,963	517	695	
6/12/2013	6/12/2013	24	A	420	115	72	305	204	626	171	1,774	486	657	
6/13/2013	6/13/2013	24	Α	336	73	81	263	215	1,110	241	2,945	640	881	
6/14/2013	6/14/2013	24	A	513	105	105	408	182	1,000	205	1,733	355	559	
6/15/2013	6/15/2013	24	A	369	91	11	278	175	121	30	1,923	474	504	
6/16/2013	6/16/2013		Α	458	93	6	365	214	65	13	2,301	467	480	
6/19/2013	6/19/2013	24	A	539	121	13	418	232	107	24	1,917	430	455	
6/22/2013	6/22/2013		A	442	117	0	325	246	0	0	2,103	557	557	
6/23/2013	6/23/2013		A	364	74	0	290	223	0	0	3,014	613	613	
6/24/2013	6/24/2013		A	469	105	20	364	191	190	43	1,819	407	450	
6/25/2013	6/25/2013		A	514	115	133	399	179	1,157	259	1,557	348	607	
6/27/2013	6/27/2013		A	396	100	44	296	173	440	111	1,730	437	548	
6/28/2013	6/28/2013		A	405	140	41	265	220	293	101	1,571	543	644	
6/29/2013	6/29/2013		A	304	64	2	240	262	31	7	4,094	862	868	
6/30/2013	6/30/2013		A	507	116	40	391	220	345	79	1,897	434	513	
7/3/2013	7/3/2013		A	367	105	41	262	243	390	112	2,314	662	774	
7/4/2013	7/4/2013		A	420	60	11	360	216	183	26	3,600	514	540	
7/5/2013	7/5/2013		A	306	94	58	212	183	617	190	1,947	598	788	
7/6/2013	7/6/2013		A	401	110	46	291	198	418	115	1,800	494	608	
7/7/2013	7/7/2013		A	362	67	45	295	187	672	124	2,791	517	641	
7/8/2013	7/8/2013		A	410	115	42	295	211	365	102	1,835	515	617	
7/10/2013	7/10/2013		A	371	121	64	250	220	529	173	1,818	593	765	
7/12/2013	7/12/2013		A	363	100	64	263	188	640	176	1,880	518	694	
7/13/2013	7/13/2013		A	316	76	50	240	183	658	158	2,408	579	737	
7/15/2013	7/15/2013		A	336	63	56	273	185	889	167	2,937	551	717	
7/16/2013	7/16/2013		A	388	122	55	266	205	451	142	1,680	528	670	
7/17/2013	7/17/2013		A	287	58	29	229	171	500	101	2,948	596	697	
7/18/2013	7/18/2013		A	368	103	53	265	178	515	144	1,728	484	628	
7/19/2013	7/19/2013		A	275	85	58	190	194	682	211	2,282	705	916	
7/20/2013	7/20/2013		A	426	99	202	327	214	2,040	474	2,162	502	977	
7/21/2013	7/20/2013		A	253	81	22	172	185	272	87	2,284	731	818	
7/22/2013	7/22/2013		A	363	122	53	241	197	434	146	1,615	543	689	
7/23/2013	7/23/2013		A	255	63	60	192	219	952	235	3,476	859	1,094	
7/24/2013	7/24/2013		A	322	115	55	207	190	478	171	1,652	590	761	
7/25/2013	7/25/2013		A	251	87	61	164	191	701	243	2,195	761	1,004	
7/26/2013	7/26/2013		A	270	90	60	180	204	667	222	2,193	756	978	
112012013	772072013	24	A	2.0			100	201	007	222	2,201	750	710	

<sup>\*\*</sup> All values are recorded using imperial units.

Select By: Field Display:

All well tests between 04/01/2013 - 09/30/2013

Test	Effective	Measured	Type			24 Hour Volume	s				Ratios			Fluid
Date	Date	Hours	2312	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (N	MARINER)													
LUSK 34 FED	ERAL #1H													
7/27/2013	7/27/2013	24	Α	266	72	56	194	199	778	211	2,764	748	959	
7/28/2013	7/28/2013	24	A	310	102	62	208	207	608	200	2,029	668	868	
7/31/2013	7/31/2013	24	A	359	130	61	229	176	469	170	1,354	490	660	
8/4/2013	8/4/2013	24	A	197	75	57	122	172	760	289	2,293	873	1,162	
8/6/2013	8/6/2013	24	A	191	72	57	119	187	792	298	2,597	979	1,277	
8/7/2013	8/7/2013	24	A	206	51	63	155	184	1,235	306	3,608	893	1,199	
8/8/2013	8/8/2013	24	A	213	80	60	133	193	750	282	2,413	906	1,188	
8/9/2013	8/9/2013	24	Α	206	76	63	130	182	829	306	2,395	883	1,189	
8/10/2013	8/10/2013	24	A	217	84	57	133	194	679	263	2,310	894	1,157	
8/12/2013	8/12/2013	24	Α	241	78	62	163	197	795	257	2,526	817	1,075	
8/13/2013	8/13/2013	24	Α	231	77	118	154	179	1,532	511	2,325	775	1,286	
8/14/2013	8/14/2013	24	Α	209	81	37	128	167	457	177	2,062	799	976	
8/15/2013	8/15/2013	24	Α	202	78	40	124	187	513	198	2,397	926	1,124	
8/16/2013	8/16/2013	24	Α	200	70	35	130	168	500	175	2,400	840	1,015	
8/17/2013	8/17/2013	24	Α	220	80	43	140	173	538	195	2,163	786	982	
8/19/2013	8/19/2013	24	Α	251	74	0	177	75	0	0	1,014	299	299	
8/22/2013	8/22/2013	24	Α	190	75	38	115	161	507	200	2,147	847	1,047	
8/23/2013	8/23/2013	24	A	187	<b>7</b> 7	62	110	168	805	332	2,182	898	1,230	
8/24/2013	8/24/2013	24	Α	240	90	154	150	210	1,711	642	2,333	875	1,517	
8/27/2013	8/27/2013	24	A	187	47	27	140	149	574	144	3,170	797	941	
8/28/2013	8/28/2013	24	A	239	68	45	171	160	662	188	2,353	669	858	
8/29/2013	8/29/2013	24	A	173	52	43	121	142	827	249	2,731	821	1,069	
8/30/2013	8/30/2013	24	A	183	52	68	131	163	1,308	372	3,135	891	1,262	
8/31/2013	8/31/2013	24	A	310	100	49	210	174	490	158	1,740	561	719	
9/1/2013	9/1/2013	24	A	168	58	110	110	171	1,897	655	2,948	1,018	1,673	
9/3/2013	9/3/2013	24	A	227	80	28	147	169	350	123	2,113	744	868	
9/6/2013	9/6/2013	24	A	282	54	46	228	152	852	163	2,815	539	702	
9/9/2013	9/9/2013	24	A	186	64	58	122	164	906	312	2,563	882	1,194	
9/13/2013	9/13/2013	24	A	210	80	52	130	154	650	248	1,925	733	981	
9/14/2013	9/14/2013	24	A	150	50	48	100	154	960	320	3,080	1,027	1,347	
9/15/2013	9/15/2013	24	A	120	30	42	90	141	1,400	350	4,700	1,175	1,525	
9/16/2013	9/16/2013	24	A	300	80	23	220	118	288	330 77	1,475	393	470	
9/17/2013	9/17/2013	24	A	191	74	170	117	187	2,297	890	2,527	393 979		
9/22/2013	9/22/2013	24	A	224	73	66	151	196	904	295	2,527		1,869	
9/25/2013	9/25/2013	24		164	7 <i>3</i> 54	59	110	162	1,093	360		875	1,170	
9/29/2013	9/29/2013	24 24	A	170	60	43	110	142			3,000	988	1,348	
Averages by Co		24	Α	526	120	43 68	406	142	717	253	2,367	835	1,088	
Averages by Co	mpiedon				120	08	400	190						

<sup>\*\*</sup> All values are recorded using imperial units.

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Select By:

Field

Display: All well tests between 04/01/2013 - 09/30/2013

Test	Effective	Measured	Туре			24 Hour Volume	es				Ratios			Fluid
Date	Date	Hours	Турс	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
ield: LUSK (M	IARINER)													
LUSK 34 FEDI	ERAL #2H													
4/6/2013	4/6/2013	24	Α	1,324	244	23	1,080	263	94	17	1,078	199	216	
4/7/2013	4/7/2013	24	A	1,177	237	121	940	257	511	103	1,084	218	321	
4/9/2013	4/9/2013	24	A	699	152	54	547	122	355	77	803	175	252	
4/10/2013	4/10/2013	24	Α	1,118	236	87	882	242	369	78	1,025	216	294	
4/16/2013	4/16/2013	24	A	1,093	188	156	905	228	830	143	1,213	209	351	
4/17/2013	4/17/2013	24	Α	1,079	202	199	877	240	985	184	1,188	222	407	
4/21/2013	4/21/2013	24	Α	1,232	202	197	1,030	251	975	160	1,243	204	364	
4/22/2013	4/22/2013	24	Α	1,797	290	166	1,507	247	572	92	852	137	230	
4/23/2013	4/23/2013	24	Α	1,583	229	189	1,354	233	825	119	1,017	147	267	
4/24/2013	4/24/2013	24	Α	841	221	105	620	220	475	125	995	262	386	
4/25/2013	4/25/2013	24	Α	1,114	272	121	842	241	445	109	886	216	325	
4/26/2013	4/26/2013	24	. A	916	251	22	665	256	88	24	1,020	279	303	
4/27/2013	4/27/2013	24	Α	915	260	150	655	254	577	164	977	278	442	
4/29/2013	4/29/2013	24	A	1,004	215	193	789	255	898	192	1,186	254	446	
5/1/2013	5/1/2013	24	A	907	233	338	674	254	1,451	373	1,090	280	653	
5/3/2013	5/3/2013	24	A	844	208	126	636	263	606	149	1,264	312	461	
5/4/2013	5/4/2013	24	A	825	211	129	614	280	611	156	1,327	339	496	
5/5/2013	5/5/2013	24	A	877	231	173	646	280	749	197	1,212	319	517	
5/7/2013	5/7/2013	24	A	818	229	179	589	317	782	219	1,384	388	606	
5/15/2013	5/15/2013	24	A	712	199	165	513	295	829	232	1,482	414	646	
5/16/2013	5/16/2013	24	A	674	208	177	466	281	851	263	1,351	417	680	
5/17/2013	5/17/2013	24	A	707	205	172	502	284	839	243	1,385	402	645	
5/18/2013	5/18/2013	24	A	620	199	173	421	269	869	279	1,352	434	713	
5/19/2013	5/19/2013	24	A	706	199	171	507	264	859	242	1,327	374	616	
5/20/2013	5/20/2013	24	A	761	211	120	550	271	569	158	1,284	356	514	
5/22/2013	5/22/2013	24	A	691	208	149	483	289	716	216	1,389	418	634	
5/23/2013	5/23/2013	24	A	578	195	138	383	272	708	239	1,395	471	709	
5/28/2013	5/28/2013	24	A	723	219	118	504	290	539	163	1,324	401	564	
5/29/2013	5/29/2013	24	A	697	212	58	485	316	274	83	1,491	453	537	
5/31/2013	5/31/2013	24	A	626	178	113	448	302	635	181	1,697	482	663	
6/2/2013	6/2/2013	24	A	719	176	64	543	321	364	89	1,824	446	535	
6/3/2013	6/3/2013	24	A	528	164	115	364	297	701	218	1,811	563	780	
6/4/2013	6/4/2013	24	A	210	99	78	111	252	788	371	2,545	1,200	1,571	
6/6/2013	6/6/2013	24	A	782	187	167	595	263	893	214	1,406	336	550	
6/7/2013	6/7/2013	24	A	356	120	98	236	260	817	275	2,167	730	1,006	
6/8/2013	6/8/2013	24	A	317	79	71	238	230	899	273	2,107	726	950	
	5, 5, <b>2</b> 0 15	21	Λ	31.	.,	, .	250	250	0,,	227	<b>2</b> ,711	720	930	

<sup>\*\*</sup> All values are recorded using imperial units.

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Select By: Field

Display: All well tests between 04/01/2013 - 09/30/2013

Test	Effective	Measured	Туре			24 Hour Volume	es				Ratios			Fluid
Date	Date	Hours	.,,,,	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (1	MARINER)													
LUSK 34 FED	ERAL #2H													
6/9/2013	6/9/2013	24	Α	516	136	199	380	243	1,463	386	1,787	471	857	
6/10/2013	6/10/2013	24	Α	563	140	156	423	253	1,114	277	1,807	449	726	
6/11/2013	6/11/2013	24	Α	432	107	156	325	263	1,458	361	2,458	609	970	
6/12/2013	6/12/2013	24	Α	432	124	144	308	256	1,161	333	2,065	593	926	
6/13/2013	6/13/2013	24	A	398	74	78	324	190	1,054	196	2,568	477	673	
6/14/2013	6/14/2013	24	Α	553	121	114	432	226	942	206	1,868	409	615	
6/15/2013	6/15/2013	24	Α	399	101	43	298	216	426	108	2,139	541	649	
6/16/2013			A	475	110	225	365	286	2,045	474	2,600	602	1,076	
6/19/2013			A	603	140	143	463	292	1,021	237	2,086	484	721	
6/22/2013	6/22/2013	24	A	467	125	170	342	309	1,360	364	2,472	662	1,026	
6/23/2013			A	391	82	6	309	263	73	15	3,207	673	688	
6/24/2013			A	490	117	164	373	273	1,402	335	2,333	557	892	
6/25/2013			A	532	122	145	410	248	1,189	273	2,033	466	739	
6/27/2013			A	414	111	86	303	214	775	208	1,928	517	725	
6/28/2013			A	421	151	217	270	266	1,437	515	1,762	632	1,147	
6/29/2013			A	315	69	101	246	216	1,464	321	3,130	686	1,006	
6/30/2013			A	523	124	184	399	265	1,484	352	2,137	507	859	
7/3/2013	7/3/2013		A	408	124	199	284	295	1,605	488	2,379	723	1,211	
7/4/2013	7/4/2013		A	405	69	12	336	264	174	30	3,826	652	681	
7/5/2013	7/5/2013		A	335	107	67	228	250	626	200	2,336	746	946	
7/6/2013	7/6/2013		A	427	119	155	308	255	1,303	363	2,143	597	960	
7/7/2013	7/7/2013		A	380	82	11	298	235	134	29	2,866	618	647	
7/8/2013	7/8/2013		A	457	130	206	327	264	1,585	451	2,031	578	1,028	
7/10/2013			A	406	138	138	268	287	1,000	340	2,080	707	1,047	
7/12/2013			A	386	109	67	277	240	615	174	2,000	622	795	
7/13/2013	7/13/2013		A	349	83	105	266	228	1,265	301	2,747	653	954	
7/15/2013			A	315	56	9	259	274	161	29	4,893	870	898	
7/16/2013	7/16/2013		A	405	131	148	274	254	1,130	365	1,939	627	993	
7/17/2013			A	307	63	9	244	214	143	29	3,397	697	726	
7/18/2013			A	370	104	132	266	235	1,269	357	2,260	635	992	
7/19/2013	7/19/2013		A	285	89	8	196	241	90	28	2,708	846	992 874	
7/20/2013			A	414	97	95	317	255	979	229	2,708	846 616	874 845	
7/21/2013			A	253	76	17	177	202	224	67	2,658	798	845 866	
7/22/2013	7/22/2013		A	386	131	118	255	233	901	306	2,038 1,779	604		
7/23/2013	7/23/2013		A	248	60	6	188	249	100	24	4,150	1,004	909	
7/24/2013	7/24/2013		A	344	127	94	217	238	740	273	1,874	692	1,028	
7/25/2013	7/25/2013		A	254	89	5	165	240	56	20		945	965	
,,25,2015	112312013	24	A	237	39	,	105	240	30	20	2,697	943	965	

<sup>\*\*</sup> All values are recorded using imperial units.

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Select By: Field

Display: All well tests between 04/01/2013 - 09/30/2013

Test	Effective	Measured	Туре			24 Hour Volume	es		Ratios					Fluid
Date	Date	Hours	z)pe	Gr Liquid	оп	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (1	MARINER)													
LUSK 34 FED	ERAL #2H													
7/26/2013	7/26/2013	24	Α	284	97	89	187	255	918	313	2,629	898	1,211	
7/27/2013	7/27/2013	24	Α	294	83	7	211	244	84	24	2,940	830	854	
7/28/2013	7/28/2013	24	Α	324	110	90	214	269	818	278	2,445	830	1,108	
7/31/2013	7/31/2013	24	Α	382	138	146	244	241	1,058	382	1,746	631	1,013	
8/4/2013	8/4/2013	24	Α	231	79	75	152	224	949	325	2,835	970	1,294	
8/6/2013	8/6/2013	24	Α	203	78	27	125	160	346	133	2,051	788	921	
8/7/2013	8/7/2013	24	Α	232	56	97	176	118	1,732	418	2,107	509	927	
8/8/2013	8/8/2013		A	263	98	28	165	251	286	106	2,561	954	1,061	
8/9/2013	8/9/2013		A	226	84	2	142	235	24	9	2,798	1,040	1,049	
8/10/2013	8/10/2013		A	247	99	96	148	247	970	389	2,495	1,000	1,389	
8/12/2013	8/12/2013		A	266	87	58	179	238	667	218	2,736	895	1,113	
8/13/2013	8/13/2013		A	265	94	68	171	232	723	257	2,468	875	1,132	
8/14/2013	8/14/2013		A	270	101	1	169	209	10	4	2,069	774	778	
8/15/2013	8/15/2013		A	240	100	124	140	228	1,240	517	2,280	950	1,467	
8/16/2013	8/16/2013		A	248	98	-9	150	206	-92	-36	2,102	831	794	
8/17/2013	8/17/2013		A	250	90	145	160	211	1,611	580	2,344	844	1,424	
8/22/2013	8/22/2013		A	237	98	205	139	200	2,092	865	2,041	844	1,709	
8/23/2013	8/23/2013	24	A	224	99	202	125	210	2,040	902	2,121	938	1,839	
8/24/2013	8/24/2013		A	278	109	35	169	265	321	126		953	1,079	
8/27/2013	8/27/2013	24		251	61	11	190	186	180	44	2,431		-	
8/28/2013	8/28/2013	24	A	288	91	160	197	199	1,758	556	3,049	741 691	785	
8/29/2013	8/29/2013	24	A	222	66	42	156	180	636	189	2,187		1,247	
8/30/2013	8/30/2013	24	A	231	64	-8	167				2,727	811	1,000	
8/31/2013			A	346	115	-8 107		194	-125	-35	3,031	840	805	
9/1/2013	8/31/2013 9/1/2013	24 24	A	200	70	71	231	204	930	309	1,774	590	899	
9/1/2013			A				130	212	1,014	355	3,029	1,060	1,415	
9/2/2013	9/2/2013	24	A	266	99 75	1	167	222	10	4	2,242	835	838	
	9/6/2013	24	A	396	75	175	321	213	2,333	442	2,840	538	980	
9/9/2013	9/9/2013	24	A	248	93	178	155	230	1,914	718	2,473	927	1,645	
9/13/2013	9/13/2013	24	A	270	100	127	170	249	1,270	470	2,490	922	1,393	
9/14/2013	9/14/2013	24	A	192	55	16	137	251	291	83	4,564	1,307	1,391	
9/15/2013	9/15/2013	24	Α	195	64	29	131	229	453	149	3,578	1,174	1,323	
9/16/2013	9/16/2013	24	Α	337	100	30	237	217	300	89	2,170	644	733	
9/17/2013	9/17/2013	24	A	241	91	162	150	251	1,780	672	2,758	1,041	1,714	
9/22/2013	9/22/2013	24	Α	266	92	191	174	241	2,076	718	2,620	906	1,624	
9/25/2013	9/25/2013	24	Α	241	85	133	156	199	1,565	552	2,341	826	1,378	
9/29/2013	9/29/2013	24	Α	218	78	45	140	188	577	206	2,410	862	1,069	
9/30/2013	9/30/2013	24	Α	197	80	142	117	206	1,775	721	2,575	1,046	1,766	

<sup>\*\*</sup> All values are recorded using imperial units.

Select By: Field

All well tests between 04/01/2013 - 09/30/2013 Display:

Test	Effective	Measured	Туре			24 Hour Volume	es				Ratios			Fluid
Date	Date	Hours	Type	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (M	MARINER)	-												
Averages by Co	ompletion			502	133	108	369	244						
LUSK SE 34 F	ED #1 (ATC	OKA)												
	9/12/2013	-	A	5	0	180	5	0		36,000		0	36,000	
Averages by Co		24	A	5	0	180	5	0		30,000		v	20,000	
LUSK SE 34 F	ED #1 (MO	RROW)					***							
4/17/2013	4/17/2013	24	Α	3	1	146	2	0	292,000	58,400	0	0	58,400	
5/9/2013	5/9/2013		A	1	1	140	0	0	140,000	140,000	0	0	140,000	
8/24/2013			A	0	0	180	0	0						
8/25/2013	8/25/2013		A	0	0	219	0	0						
8/26/2013	8/26/2013	3 24	Α	6	3	224	3	0	74,667	37,333	0	0	37,333	
8/27/2013	8/27/2013	24	Α	8	3	225	5	0	75,000	28,125	0	0	28,125	
Averages by Co	ompletion			3	1	189	2	0						
LUSK SE 34 F	ED 2 (DEL	AWARE)												
4/10/2013	4/10/2013	24	Α	71	70	88	1	0	1,257	1,239	0	0	1,239	
5/15/2013	5/15/2013	3 24	Α	72	71	92	1	0	1,296	1,278	0	0	1,278	
6/20/2013	6/20/2013	24	Α	73	72	93	1	0	1,292	1,274	0	0	1,274	
7/18/2013	7/18/2013	24	A	74	73	94	1	0	1,288	1,270	0	0	1,270	
8/9/2013	8/9/2013	24	Α	74	73	94	1	0	1,288	1,270	0	0	1,270	
9/10/2013	9/10/2013	24	Α	71	70	95	1	0	1,357	1,338	0	0	1,338	
Averages by Co	ompletion			73	72	93	1	0						
LUSK SE 34 F	FEDERAL#	3												
4/25/2013	4/25/2013	24	Α	97	14	33	83	0	2,357	340	0	0	340	
5/24/2013	5/24/2013		A	94	14	35	80	0	2,500	372	0	0	372	
6/13/2013	6/13/2013	24	Α	92	15	36	77	0	2,400	391	0	0	391	
7/9/2013	7/9/2013	24	A	94	15	35	79	0	2,333	3 <b>7</b> 2	0	0	372	
8/15/2013	8/15/2013	24	Α	96	16	38	80	0	2,375	396	0	0	396	
9/9/2013	9/9/2013	24	Α	90	15	32	75	0	2,133	356	0	0	356	
Averages by Co	ompletion			94	15	35	79	0						
LUSK SE 34 F	FEDERAL#	5												

<sup>\*\*</sup> All values are recorded using imperial units.

# Well Test History Report

Page 8 of 8 10/2/2013 2:28:20 pm

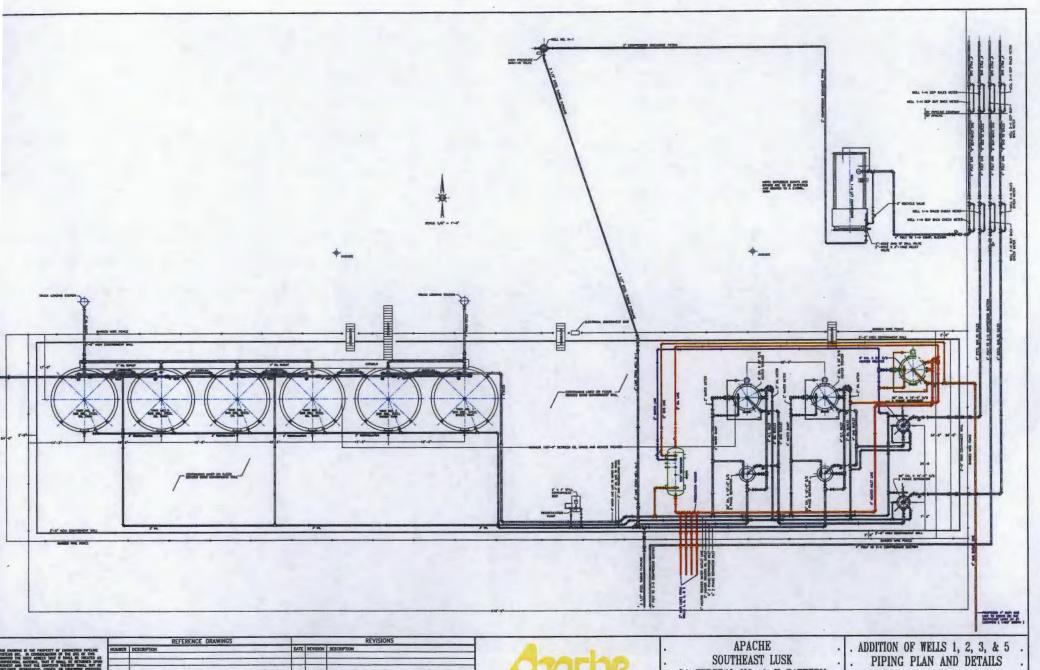
Select By: Field

Display:

All well tests between 04/01/2013 - 09/30/2013

Test	Test Effective Measured Type				2	24 Hour Volume	s		Ratios					Fluid
Date	Date	Hours	-71	Gr Liquid	OIL	GAS	WAT	LIFT	GOR	GLR	IGOR	IGLR	TGLR	Level
Field: LUSK (	MARINER)				-									
LUSK SE 34 J	FEDERAL#	5												
4/8/2013	4/8/2013	24	Α	45	1	1	44	0	1,000	22	0	0	22	
5/15/2013	5/15/2013	24	Α	31	1	1	30	0	1,000	32	0	0	32	
6/19/2013	6/19/2013	24	Α	31	1	1	30	0	1,000	32	0	0	32	
7/27/2013	7/27/2013	24	Α	23	· 1	1	22	0	1,000	43	0	0	43	
8/15/2013	8/15/2013	24	A	23	1	1	22	0	1,000	43	0	0	43	
9/20/2013	9/20/2013	24	A	26	1	1	25	0	1,000	38	0	0	38	
Averages by C	Completion			30	1	1	29	0						

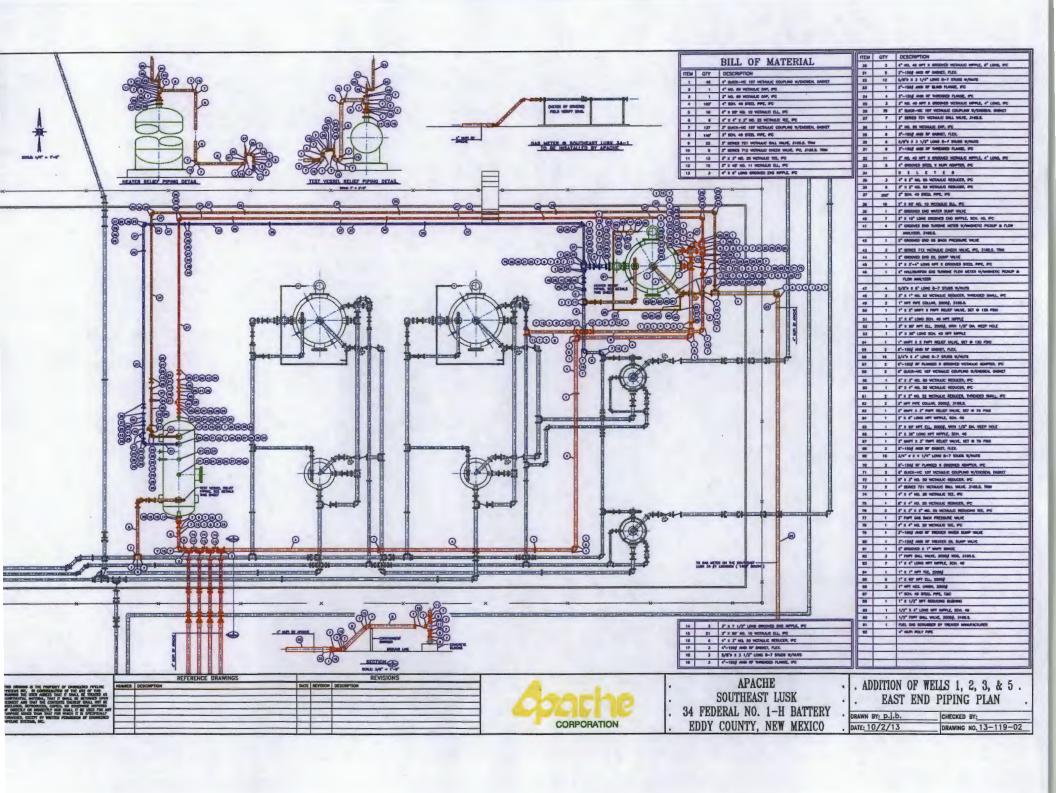
<sup>\*\*</sup> All values are recorded using imperial units.

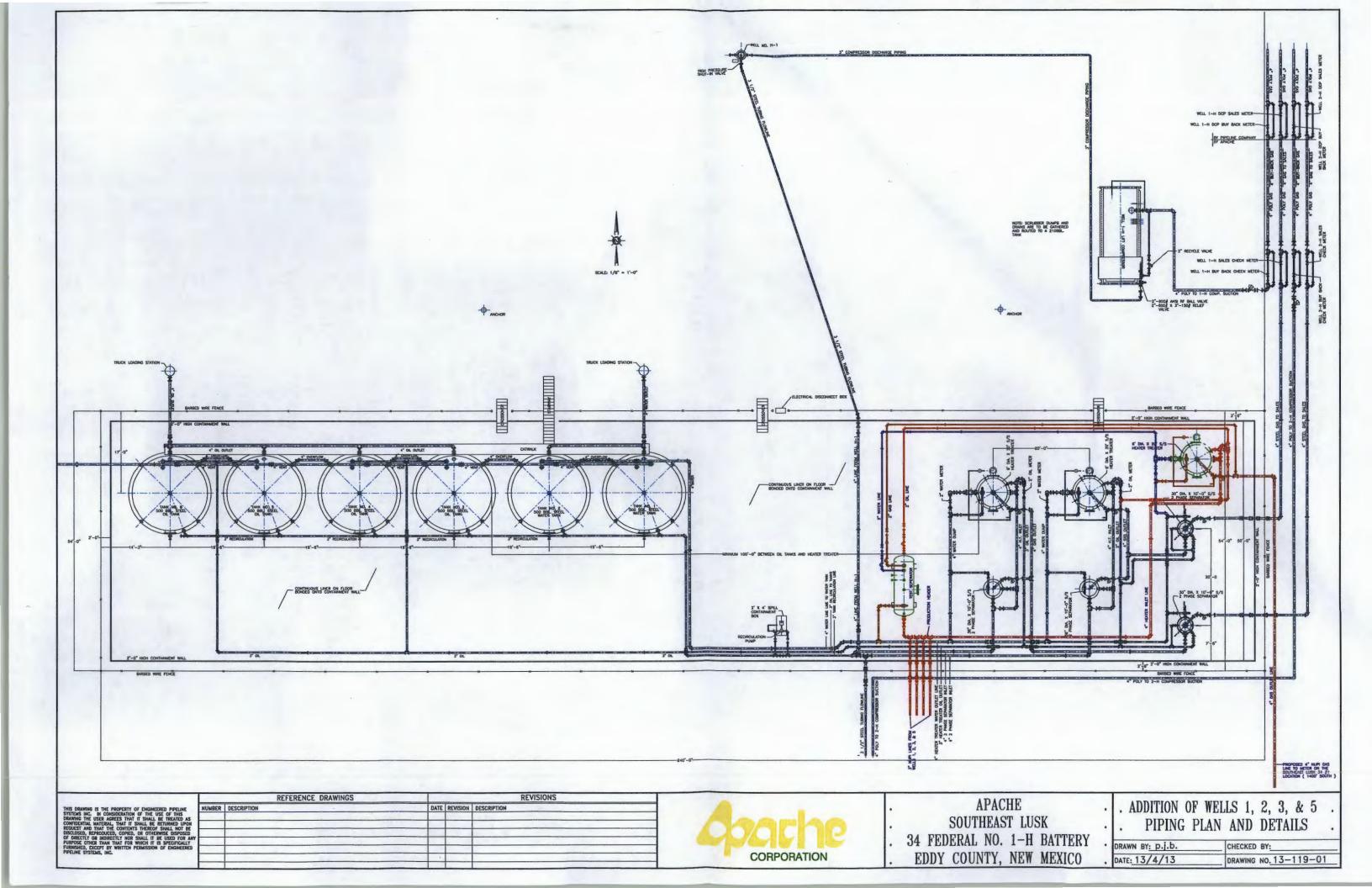


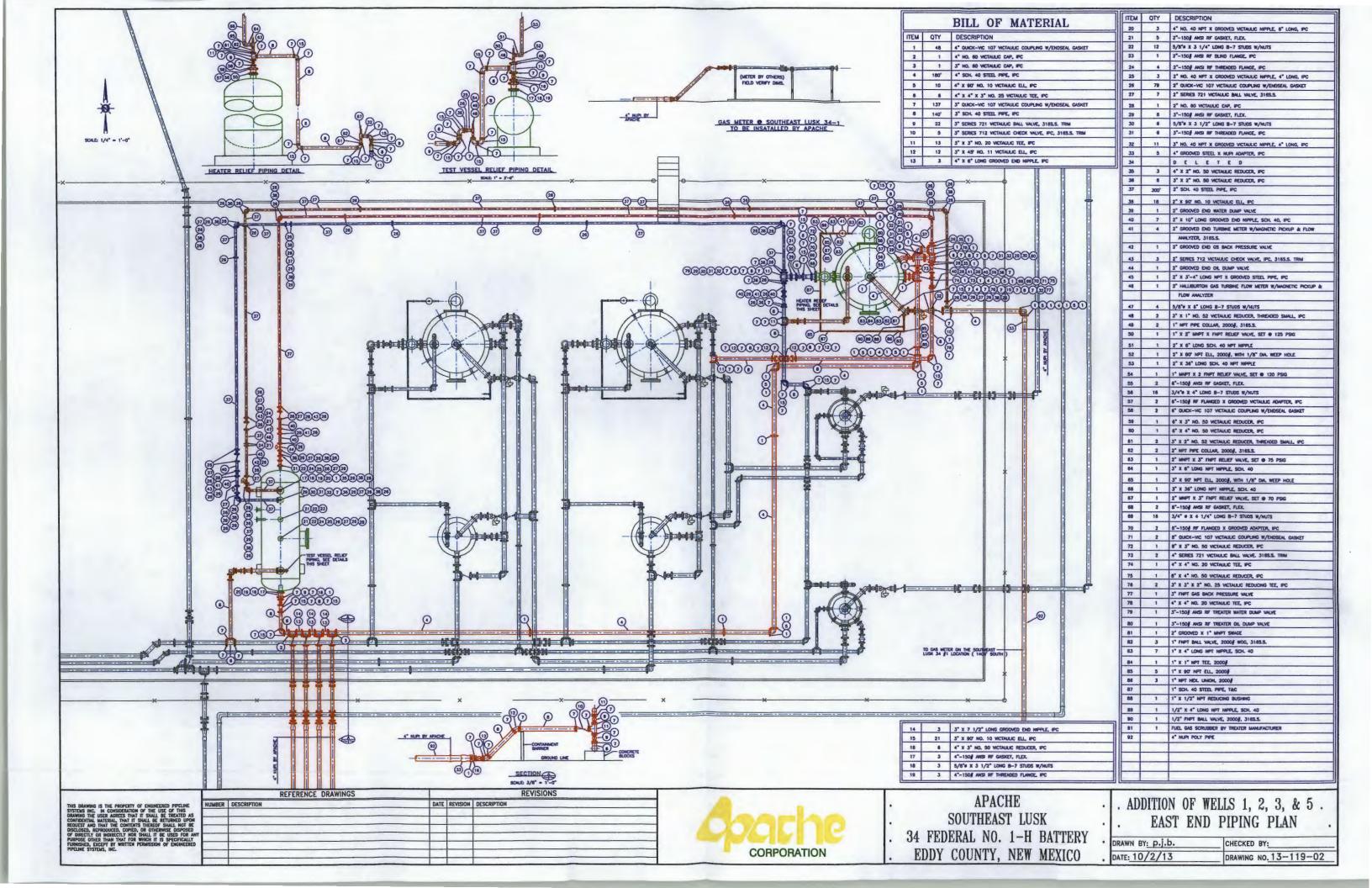
		REFERENCE DRAWINGS			REVISIONS
THE DRAWING IS THE PROPERTY OF ENGINEERS POPELARE	NUMBER	DESCRIPTION	DATE	REVISION	DESCRIPTION
SYSTEMS NOC. IN CONSIDERATION OF THE UTE OF THE STATED AS				-	
CONFIDENCIAL MATERIAL THAT IT SHALL BE RETURNED UPON	_				
ENGLISHER, REPRODUCED, COPED, OF GREENBEE DEPOSED OF BREIGHT OR BENEFICILY MORE SHALL IT BE USED FOR ANY PRIMPOSE GROUN THAN THAT FOR WHICH IT IS SPECIFICALLY FURNISHED, CHICAT OF WEITER PURSHAMO OF GREENELIED					
PARPORE OTHER THAN THAT FOR MACH IT IS SPECIFICALLY				_	
AMERICAN CHARLES ARE ARREST AND ARREST OF EMPHERICAL			-	-	
			-		

SOUTHEAST LUSK
34 FEDERAL NO. 1-H BATTERY
EDDY COUNTY, NEW MEXICO

DRAWN BY: p.j.b.
DATE: 13/4/13 CHECKED BY:
DRAWING NO.13-119-01









DISTRICT 1 1625 N. French Dr., Hobbs, NM 88240

DISTRICT III

DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210 State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised July 16, 2010

Submit one copy to appropriate District Office

# OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV-1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

AP1 Number 30-025-40797	Pool Code LUSK; BONE SPRING,	SOUTH ~
Property Code 39355	Property Name  LUSK "34" FEDERAL	Well Number
ogrid no. 873	Operator Name  APACHE CORPORATION	Elevation 3561
	Surface Location	

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	34	19 S	32 E		490	NORTH	360	WEST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section 34	Township 19 S	Range 32 E	Lot Idn	Feet from the	North/South line	Feet from the	East/West line WEST	Count <del>y</del> LEA
Dedicated Acres	Joint of	r Infill Co	nsolidation (	Code Or	der No.		693		

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

3563.5' 3566.5'    PENETRATION   POINT   432 FNL   1360' S.L.   400 FWL   1360' S.L.   1400 FWL   1559.9'   3563.9'   FIRST TAKE   1063 FNL   1419 FWL   1419 FWL	SURFACE LOCATION Lat - N 32'37'21.96" Long - W 103'45'41.09" NMSPCE- N 590767.2 NMSPCE- E 717417.9 (NAD-83)			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 hote location 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 heretafore entered by the division.
4				Signature Date FATIMA VASQUEZ Printed Name FATIMA. VASQUEZ @ apachecorp. Email Address Com 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 supervison, and that the same is true and correct to the location my belief.
LAST TAKE POINT 417 FSL 664 FWL	BOTTOM HOLE LOCATION Lat — N 32'36'37.61" Long — W 103'45'37.48" NMSPCE— N 586286.6 E 717750.9 (NAD-83)			Date Jury years Signature & Seal of Professional Superform g
673' 0 B.H. in On LOT 1	LOT 2	LOT 3	LOT 4	Certificate No. Gary L. Jones 7977  BASIN SURVEYS 24236

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised July 16, 2010

Submit one copy to appropriate District Office

DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

HOB3S OCD

DISTRICT IV

DISTRICT III

1220 S. St. Francis Dr., Santa Fe. NM 87505

1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, New Mexico 87505

MAY 1 0 2013

□ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-406	Pool Code . 41460	LUSK; BONE SPRING, SOUTH	
Property Code 39355		operty Name Well Number 34" FEDERAL 2H	
ogrid No. 873	•	corporation 3569'	

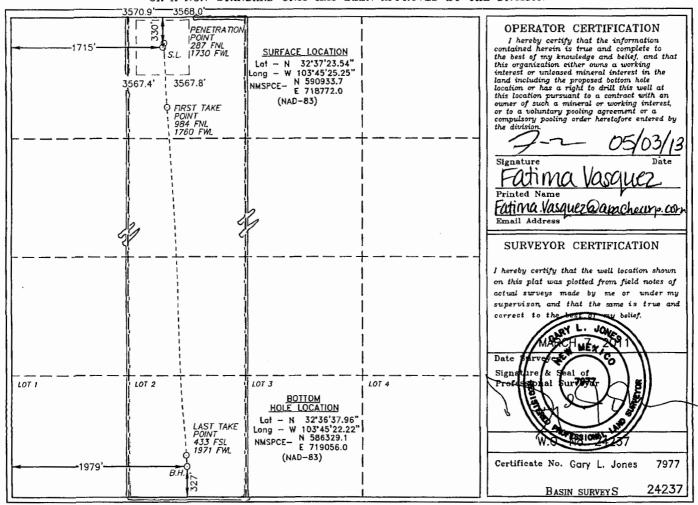
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	34	19 S	32 E		330	NORTH	1715	WEST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section 34	Township 19 S	Range 32 E	Lot Idn	"以35%	North/South line	Feet from the	East/West line WEST	County LEA
Dedicated Acre	s Joint o	r Infill Co	nsolidation	Code Or	der 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



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

<sup>1</sup>API Number

District IV

30-025-36439

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

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State Lease - 3 Copies

☐ AMENDED REPORT

WE	LL LOCATION AND	ACREAGE DEDICATION	ON PLAT	
	<sup>2</sup> Pool Code	,	<sup>3</sup> Pool Name	
	41460	Lusk; Bone Spring, South		
	<sup>5</sup> Pr	operty Name		'Well Number
east Lu	ısk 34 Federal		001	

<sup>4</sup> Property Code 308904 Southe OGRID No. Operator Name <sup>2</sup> Elevation 873 Apache Corporation: 303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705 3357' GL Surface Location Range UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County Ε 34 **19S** 32E 1530 North 40 West Lea

11 Bottom Hole Location If Different From Surface UL or lot no. Township Range Lot Idn Feet from the North/South line East/West line County Section Ε **19S** 32E 1506 North 721 West Lea 2 Dedicated Acres <sup>13</sup> Joint or Infill Consolidation Code Order No. \*Pending RC NOI 40

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.

16, 78, 78, 78, 78, 78, 78, 78, 78, 78, 78	17 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 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 horatofore entered by the division.  10/03/2013  Sighature Date  Reesa Holland Fisher  Printed Name
	18SURVEYOR 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 of Survey Signature and Seal of Professional Surveyor:

#### DISTRICT I CARS M. PHINCH DR., BORRS, ROS \$4240

DISTRICT II

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
Submit to Appropriate District Office
1220 SOUTH ST. FRANCIS AP

State Lane - 4 Conjunction 1220 SOUTH ST. FRANCIS OR. Santa Fe, New Mexico 8/2505

Pec Losse - 3 Copies

DISTRICT III 1000 Rig Brazos Rd., Astec, NM 87410

DISTRICT IV

WELL LOCATION AND ACREAGE DEDICATION PLAT

C AMENDED REPORT

1226 S. ST. FRANCIS DR., SANTA PE, I	CL STSOS		C ARAMODD MELONI
API Number 30-025-37357	Pool Code 41460	South Lusk Bone Springs	
Property Code 300257		roperty Name 34 FEDERAL	Yell Number
OGRID No. 224400		POPERATING COMPANY, INC.	Elevation 3558'

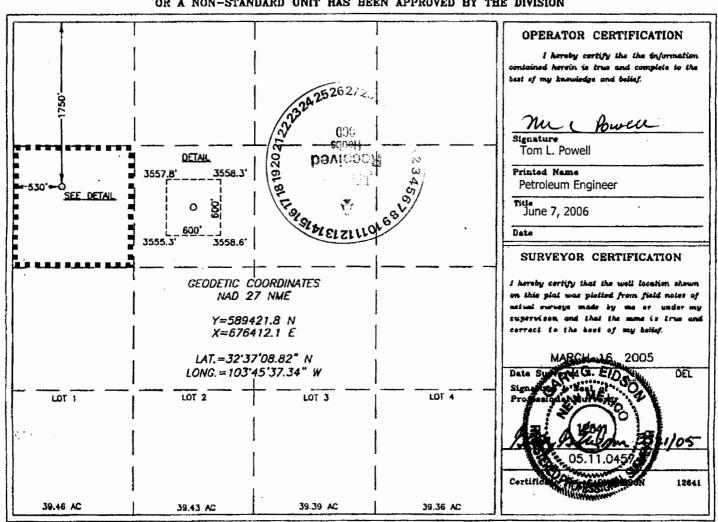
#### Surface Location

UL or lot No.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	Rast/Wost line	County
E	34	19-S	32-E		1750	NORTH	530	WEST	LEA

#### 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	Rast/West line	County
Dedicated Acres	Dedicated Acres   Igint or Infill   Consolidation Code   Order No.								
40									
l	L								

#### NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BERN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



#### State of New Mexico

DISTRICT I

Energy, Minerals and Natural Resources Department

DISTRICT II

DISTRICT IV

1301 T. GRAND AVENUE, ARTEMA, NK 88216

DISTRICT III

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505 Form C-102
Revised JUNE 10, 2003
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1000 Ris Brazos Ed., Antec, NM 87410

e., ranta pr. nel steos	METT	LOCATION	AND	ACREAGE	DEDICATION	PLAT
	-					

AMENDED REPORT

TOTAL D. BI. FRANCIS DE., GORTA PA.	NE STOO		
API Number 30-025-37357	41520 Poel Code	East Lusk Delaware	
Property Code 300257	-	erty Name 4 FEDERAL	Well Number
OGRID No. 224400		ator Name ERATING COMPANY, INC.	Elevation 3558'

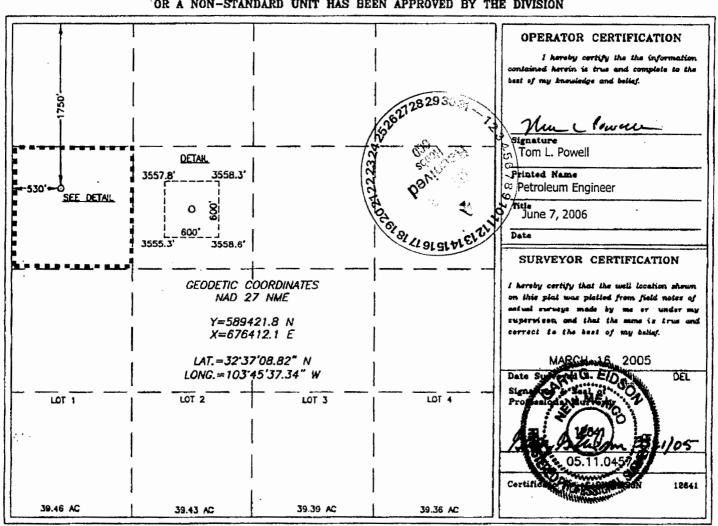
#### Surface Location

- 1	UL or let No.	Section	Township	Range	ial ida	Feet from the	North/South line	Feet from the	Rest/Wost line	County
	E	34	19-S	32-E		1750	NORTH	530	WEST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Peet from the	North/South line	Feet from the	Past/West Hos	County
Dedicated Acre	Joint o	r Infili Co	aselidation (	Code Ore	der No.		h	<u> </u>	

# 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



#### State of New Mexico

DISTRICT I ' 1625 N. PRENCE DR., HOHRS, NM 88240

1301 V. GRAND AVENUE, ARTESIA, NM 88210

Energy, Minerals and Natural Resources Department

Form C-102

Revised JUNE 10, 2003 Submit to Appropriate District Office

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

DISTRICT III 1000 Rio Brazos Rd., Axtec, NM 87410

DISTRICT II

Santa Fe, New Mexico 87505

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT IV 1230 S. ST. FRANCIS DR., SANTA PR. HM	WELL LOCATION	AND ACREAGE DEDICATION PLAT	AMENDED REPORT				
API Number	Pool Code	Pool Name					
30-025-3735	58 41520	Lush Delawar	p. East				
Property Code		Property Name	Well Number				
300 257	Southeast LU	Southeast LUSK 34 FEDERAL					
OGRID No.		Elevation 3562'					
224400	EDGE PETROLEU	EDGE PETROLEUM OPERATING COMPANY, INC.					

#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Bast/West line	County
D	34	19 <b>-</b> S	32-E		330	NORTH	330	WEST	LEA

### 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
Dedicated Acres	Joint o	r Infill Co	neolidation	Code Or	der Na.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

	OR A NUN-STANDARD UNIT H	AS BEEN APPROVED BY TH	IR DIAISION
330° SEE DETAIL			OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
DETAIL	GEODETIC COORDINATES		Randy / Dall Signature Randell K. Ford
3562.1' 3563.3'	NAD 27 NME Y=590864.4 N X=676206.1 E		Consultant Title March 31, 2005
3560.9' 3562.1'	LAT.=32'37'23.11" N LONG.=103'45'39.66" W		SURVEYOR CERTIFICATION  I hereby certify that the well location shown
	1		on this plat was plotted from field notes of actual surveys made by me or under my supervison and that the same is true and correct to the best of my belief.  MARCH 3, 2005
			Date Surveyed William LA Signature & Straft D Signature Surveyor O
			Certification No. CARY ENGLISH 12841

#### State of New Mexico

DISTRICT I

Energy, Minerals and Natural Resources Department

Form C-102

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DISTRICT III

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

1000 Rio Brazos Rd., Axtec, NM 87410

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT ☐ AMENDED REPORT 1220 S. ST. FRANCES DEL, SANTA PE. NE 87505 API Number Pool Code Pool Name 3*0-025-*3 41500 415 20 East-Lusk Delaware Well Number Property Name 30025 SE LUSK 34 FEDERAL 5 OGRID No. Operator Name Elevation EDGE PETROLEUM OPERATING COMPANY, INC. 3561 224400

#### Surface Location

-	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	С	34	19 <b>-</b> -S	32-E		990	NORTH	1650	WEST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Renge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres   Joint or Infill   Consolidation Code   Order No.									
40									

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

	TPES.		
			OPERATOR CERTIFICATION
.06			I hereby certify the the information contained herein is true and complete to the
3566.3' 3564.9'		· 	best of my knowledge and belief.
1 1			
1650'			Sind Say Russol
3561.578888873560.47888			Lindsay Truesdell
	GEODETIC COORDINATES NAD 27 NME		Printed Name
	Y=590211.3 N		Consultant
,	X=677528.6 E		August 23, 2005
/ !	LAT.=32°37′16.58″ N LONG.=103°45′24.24″ W		Date
	LONG. = 103 43 24.24 W		SURVEYOR CERTIFICATION
,	·		I hereby certify that the well location shown on this plat was plotted from field notes of
	1		actual surveys made by me or under my
	1		correct to the best of my belief.
i i	' i		JULY 13, 2005
1	,		Date Surreguerunnuntun LA
LOT 1 LOT 2	Lot 3	LOT 4	Professional Surveyor
1	1 .	`	A SECOND
			Bary 1264 2719/05
			10 L
			Certificate No. GARY EDSEN 12841
39.46- AC 39.43 AC	39.39 AC	39.36 AC	Manuscript Property of the Commence of the Com

# Brooks, David K., MNRD

From:

Brooks, David K., EMNRD

Sent:

Friday, November 15, 2013 11:50 AM

To:

Reesa.Holland@apachecorp.com

**Subject:** 

Apache Corporation - Lusk 34 Fed & SE Lusk 34 wells - Surface Commingling

Application

Good morning, Ms. Holland

The referenced application is incomplete because it does not include:

- 1. A list of all parties (interest owners) owning interests in the production to be commingled, as required by Rule 19.15.12.10.C(4)(b).
- 2. A statement attesting that the applicant notified each of the interest owners by sending them a copy of the application and attachments and advising them that they must file any objection in writing with the Division's Santa Fe office within 20 days from the date the Division receives the application, as required by Rule 19.15.12.10.C(4)(c).

The letter to interest owners attached to your application, even if it has in fact been sent to all interest owners, does not comply with the second requirement above because it does not contain the admonition about filing of objections within 20 days. This letter asks the interest owners to sign an attached approval. This would be an acceptable alternative, but only if we were furnished with copies of signed approvals from all interest owners.

Furthermore, although you state that the proposed installation will permit separate metering of production from the horizontal wells and the vertical wells, it is not clear whether or not the No. 1H and the No. 2H will be metered separately so as to permit metering allocation of the production from the horizontals between these two wells. Due to their relatively high production, we would require metering allocation between these wells, as well as between the combined horizontal well production stream and the combined vertical well production stream, unless production from the two horizontal wells is identically owned. Well test allocation between the separate vertical wells would be acceptable due to their marginal production.

We will await receipt of your response to the items addressed above.

Sincerely
David K. Brooks
Legal Examiner

## **Brooks, David K., EMNRD**

From: Hanson, Michelle < Michelle.Hanson@apachecorp.com>

Sent: Thursday, November 21, 2013 6:44 PM

To: Brooks, David K., EMNRD

Cc: Vasquez, Fatima; Emmett, Lucas; Thomas, Mark; Holland, Reesa

Subject: RE: Apache Corporation - Lusk 34 Fed & SE Lusk 34 wells - Surface Commingling

Application

Attachments: Affected Interest Owner List.docx; Southeast Lusk 34 Federal\_Consent to Surface

Commingle\_Chisos.pdf; Southeast Lusk 34 Federal\_Consent to Surface

Commingle\_Cross Border Resources.pdf; RE: Southeast Lusk Section 34-19S-32E, Lea Co., NM - Apache's Surface Commingling Proposal; Letter to OCD\_Lusk 34 Federal #1H

& #2H\_Interest Ownership.pdf

#### Hi David,

Please see attached list of affected interest owners, as well as a copy of two of the three required Consent letters (missing formal consent letter from Cimarex). Also attached is my latest email correspondence with Cimarex. They have provided their approval to surface comingle; however such approval is subject to a few stipulations which I don't foresee to be an issue. Lastly, attached is a letter regarding the interest ownership between the Lusk 34 Federal #1H and #2H wells. Please let me know if you need anything else from me at this time. Thank you.

Michelle Hanson

Landman

#### **Apache Corporation**

303 Veterans Airpark Lane, Suite 3000 Midland, TX 79705 (432) 818-1093 direct (432) 818-1190 fax michelle.hanson@apachecorp.com

From: Holland, Reesa

Sent: Monday, November 18, 2013 7:26 AM

To: Hanson, Michelle; Emmett, Lucas; Thomas, Mark

Cc: Vasquez, Fatima

Subject: FW: Apache Corporation - Lusk 34 Fed & SE Lusk 34 wells - Surface Commingling Application

Reesa Holland Fisher

Midland, TX 432/818-1062

**Anache** 

Reesa. Holland@apachecorp.com

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]

**Sent:** Friday, November 15, 2013 12:50 PM

To: Holland, Reesa

Subject: Apache Corporation - Lusk 34 Fed & SE Lusk 34 wells - Surface Commingling Application

Good morning, Ms. Holland

The referenced application is incomplete because it does not include:

- 1. A list of all parties (interest owners) owning interests in the production to be commingled, as required by Rule 19.15.12.10.C(4)(b).
- 2. A statement attesting that the applicant notified each of the interest owners by sending them a copy of the application and attachments and advising them that they must file any objection in writing with the Division's Santa Fe office within 20 days from the date the Division receives the application, as required by Rule 19.15.12.10.C(4)(c).

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Furthermore, although you state that the proposed installation will permit separate metering of production from the horizontal wells and the vertical wells, it is not clear whether or not the No. 1H and the No. 2H will be metered separately so as to permit metering allocation of the production from the horizontals between these two wells. Due to their relatively high production, we would require metering allocation between these wells, as well as between the combined horizontal well production stream and the combined vertical well production stream, unless production from the two horizontal wells is identically owned. Well test allocation between the separate vertical wells would be acceptable due to their marginal production.

We will await receipt of your response to the items addressed above.

Sincerely David K. Brooks Legal Examiner

# **Application to Surface Commingle**

# W/2 Section 34, Township 19 South, Range 32 East, Lea County, New Mexico

# Wells to be surface commingled:

Lusk 34 Federal #1H

Lusk 34 Federal #2H

SE Lusk 34 Federal #1

SE Lusk 34 Federal #2

SE Lusk 34 Federal #3

SE Lusk 34 Federal #5

### **Affected Interest Owners:**

Chisos, Ltd.
Cross Border Resources
Cimarex Energy Company



October 7, 2013

#### Working Interest Owners

RE: Request for Approval to Surface (Pool) Commingle

Federal Lease Serial No. NMNM01135

Southeast Lusk 34 Federal #1 (possible recompletion to Lusk; Bone Spring, South Pool)

Southeast Lusk 34 Federal #2 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #3 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #5 (Lusk; Delaware, East Pool) Lusk 34 Federal #1H (Lusk; Bone Spring, South Pool) Lusk 34 Federal #2H (Lusk; Bone Spring, South Pool)

Township 19 South, Range 32 East;

Section 34: W1/2

Lea County, New Mexico

#### Dear Interest Owners,

Apache Corporation ("Apache") hereby requests your approval to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1 (API No. 30-025-36439), 2 (API No. 30-025-37357), 3 (API No. 30-025-37358) and 5 (API No. 30-025-37680), Lusk 34 Federal Well Nos. 1H (API No. 30-025-40797) and 2H (API No. 30-025-40693), all located in the W½ of Section 34, Township 19 South, Range 32 East, Lea County, New Mexico. Apache plans to set a 3-phase separator for the vertical wells to flow through prior to commingling production from said wells with the horizontal wells at the Lusk 34 Federal No. 1H Battery, which is located on the referenced lands. This flow plan will allow Apache to meter production from the vertical wells separately from production from the horizontal wells. As for allocating production among the vertical wells, Apache requests your approval to allocate using monthly well tests (See attached Addition of Wells 1, 2, 3, & 5 Piping Plan and Details).

Please be aware that the working interest ownership is not identical among the wells and, therefore, in order to commingle production from each well at the surface and account for each well's production in the manner proposed above, Apache must first obtain approval from the affected interest owners.

Apache believes that commingling will not decrease the value of production from each well. Additionally, Apache believes commingling will prevent waste and promote conservation by utilizing the same tank battery equipment for each well, thereby reducing the incremental investment capital that would otherwise be needed to build a separate facility for each well containing difference in ownership and, as a result, will extend the economic life of the wells and leases.

Please evidence your approval of Apache's proposal by executing Page 2 and returning one (1) copy to my attention using the enclosed prepaid envelope provided for your convenience. Should you have any questions, please do not hesitate to contact me at (432) 818-1093.

Sincerely,

APACHE CORPORATION

Michelle Hanson Landman (432) 818-1190 fax

Michelle.hanson@apachecorp.com

Page 2 - Request for Approval to Surface (Pool) Commingle Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 Lusk 34 Federal Well Nos. 1H and 2H October 7, 2013

The undersigned hereby approves to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 and Lusk 34 Federal Well Nos. 1H and 2H and further approves to account for each well's production in the manner set forth in this letter. This approval is subject to final approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Company:	Op: 2024	LTD	•	
By:	in Drul	M	wil	
Date:	Suc Ann Crad	dock	10/14	las 13
	Drosidon			. ~~



October 7, 2013

#### **Working Interest Owners**

RE:

Request for Approval to Surface (Pool) Commingle

Federal Lease Serial No. NMNM01135

Southeast Lusk 34 Federal #1 (possible recompletion to Lusk; Bone Spring, South Pool)

Southeast Lusk 34 Federal #2 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #3 (Lusk; Delaware, East Pool) Southeast Lusk 34 Federal #5 (Lusk; Delaware, East Pool) Lusk 34 Federal #1H (Lusk; Bone Spring, South Pool) Lusk 34 Federal #2H (Lusk; Bone Spring, South Pool)

Township 19 South, Range 32 East;

Section 34: W½

Lea County, New Mexico

#### Dear Interest Owners,

Apache Corporation ("Apache") hereby requests your approval to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1 (API No. 30-025-36439), 2 (API No. 30-025-37357), 3 (API No. 30-025-37358) and 5 (API No. 30-025-37680), Lusk 34 Federal Well Nos. 1H (API No. 30-025-40797) and 2H (API No. 30-025-40693), all located in the W½ of Section 34, Township 19 South, Range 32 East, Lea County, New Mexico. Apache plans to set a 3-phase separator for the vertical wells to flow through prior to commingling production from said wells with the horizontal wells at the Lusk 34 Federal No. 1H Battery, which is located on the referenced lands. This flow plan will allow Apache to meter production from the vertical wells separately from production from the horizontal wells. As for allocating production among the vertical wells, Apache requests your approval to allocate using monthly well tests (See attached Addition of Wells 1, 2, 3, & 5 Piping Plan and Details).

Please be aware that the working interest ownership is not identical among the wells and, therefore, in order to commingle production from each well at the surface and account for each well's production in the manner proposed above, Apache must first obtain approval from the affected interest owners.

Apache believes that commingling will not decrease the value of production from each well. Additionally, Apache believes commingling will prevent waste and promote conservation by utilizing the same tank battery equipment for each well, thereby reducing the incremental investment capital that would otherwise be needed to build a separate facility for each well containing difference in ownership and, as a result, will extend the economic life of the wells and leases.

Please evidence your approval of Apache's proposal by executing Page 2 and returning one (I) copy to my attention using the enclosed prepaid envelope provided for your convenience. Should you have any questions, please do not hesitate to contact me at (432) 818-1093.

Sincerely.

APACHE CORPORATION

Michelle Hanson Landman

(432) 818-1190 fax

Michelle.hanson@apachecorp.com

Page 2 - Request for Approval to Surface (Pool) Commingle Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 Lusk 34 Federal Well Nos. 1H and 2H October 7, 2013

The undersigned hereby approves to surface commingle production from the Southeast Lusk 34 Federal Well Nos. 1, 2, 3 and 5 and Lusk 34 Federal Well Nos. 1H and 2H and further approves to account for each well's production in the manner set forth in this letter. This approval is subject to final approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Company: CROSS Bonoza MESource

Title: Intensing Passions

Date: 812013



November 21, 2013

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

RE: Interest Ownership

Lusk 34 Federal #1H and #2H Wells

Township 19 South, Range 32 East; N.M.P.M:

Section 34; W/2

Lea County, New Mexico

To Whom It May Concern:

All royalty and overriding royalty interests are identical between the Lusk 34 Federal #1H and #2H wells, which are located on the referenced lands. Further, the working interest ownership is common between the wells except that the proration unit for the Lusk 34 Federal #1H well contains a total of 159.46 acres and the proration unit for the Lusk 34 Federal #2H well contains a total of 159.43. Due to this very slight difference in proration unit size, the working interest ownership was blended so that the working interest owners would own identical gross working interests in both of the aforementioned wells. Therefore, the only ownership difference that remains between the two wells is the net working interest because revenues are paid on a proration unit basis. The working interest owners are fully aware of this slight difference in net working interest and have not objected to the commingling of production or allocation by well test between the two wells.

Should you have any questions, please contact the undersigned at (432) 818-1093.

Sincerely,

APACHE CORPORATION

Michelle Hanson (432) 818-1190 Fax

michelle.hanson@apachecorp.com