

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



July 18, 2014

Apache Corporation
Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7123
Administrative Application Reference No. pMAM1419851858

Apache Corporation
OGRID 873
SB State Well No. 4
API No. 30-015-42003

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	2515 FNL & 800 FWL	E	2	18S	27E	Eddy
Top perforations	2419 FNL & 869FWL	E	2	18S	27E	Eddy
Terminus	2296 FNL & 980 FWL	E	2	18S	27E	Eddy

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
SW/4 NW/4 of Section 2	40	Red Lake; Queen-Grayburg-San Andres	51300

Reference is made to your application received on July 17, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

An unorthodox location is necessary to avoid numerous surface obstructions in Unit E.

Your application has been duly filed under the provisions of Division Rules 15.13 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

July 18, 2014

Page 2

It is also understood that notice of this application to offsetting operators or owners is unnecessary due to common ownership.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

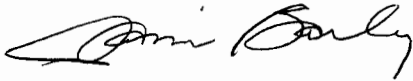
This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

This Administrative Order is done in conjunction with Administrative Order DHC-4687, issued on July 18, 2014.

The subject well in the Red Lake; Glorieta-Yeso Pool is a standard location, which is part of Administrative Order DHC-4687.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on July 18, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey".

Jami Bailey
Director

JB/mam

cc: New Mexico Oil Conservation Division – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals