



1/23/12

SUSPENSE

ENGINEER

DB

LOGGED IN

1.23.12

TYPE

NSL

APP NO.

PTGW  
1202344942

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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

Apache  
D State #69

6557

ABOVE THIS LINE FOR DIVISION USE ONLY

**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:**

[NSL-Non-Standard Location] [NSP-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

Apache Corporation's  
 D State 69  
 30-015-39743

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 is 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.

Print or Type Name

Signature

Title

Date

BRIAN WOOD  
 (505) 466-8120  
 FAX 466-9682

CONSULTANT

1-19-12

e-mail Address

brian@permitswest.com

**REQUEST FOR ADMINISTRATIVE APPROVAL  
NONSTANDARD LOCATION  
APACHE CORPORATION  
D STATE 69  
220' FSL & 990' FWL  
SECTION 25, T. 17 S., R. 28 E., EDDY COUNTY, NM  
API 30-015-39743 ✓**

I. The well is on New Mexico State Land Office (NMSLO) oil and gas lease X0-0647-0405 and State surface. The well bore is 4,180' from the closest lease line. The proposed oil well is nonstandard for the Artesia; Glorieta-Yeso (O) Pool (96830) due to land uses. A copy of the APD cover sheet is attached (Exhibit A).

Apache requests a nonstandard location due to land uses. There are already 3 Yeso wells, 1 Abo well, and 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines in the SWSW Section 25.

The 8,746.59 acre state lease comprises all of Sections 25 and 26, NE4 Section 35, N2 Section 36, et al. The well was planned to be staked at 330 FSL & 990 FWL. However, that would force the reroute of at least 7 pipelines and 1 road (see Exhibit B).

A standard location must be at least 330' from the quarter-quarter line. The well bore is 220' from the closest quarter-quarter line (see C-102 as EXHIBIT C).

II. A C-102 form showing the well and 40 acre pro ration unit (SWSW Section 25) is attached as EXHIBIT D.

The oil and gas lease boundary is marked as a solid line on the attached (EXHIBIT E) topographic map. The well bore encroaches too far (110') south. All encroachments are part of the same lease. There are 3 Yeso wells in the encroached quarter-quarter (NWNW Section 36). The quarter-quarter is part of the same state lease. All eight bordering or cornering quarter-quarters (dashed line squares) are part of the same state lease. Next closest quarter-quarter (SESW Section 25) is 330' east.

III. See Exhibit F for existing Yeso wells (circles). Apache operates all Yeso wells (circles on Exhibit F) in the 8 offset quarter-quarters. Closest (550') existing Yeso well is Apache's D State 10 (30-015-31165) at 330 FNL & 990 FWL 36-17s-28e. Apache has Yeso wells in 7 of the 8 offset quarter-quarter-quarters. Only the NWNWNW Section 36 does not have a Yeso well. This information is current and correct.

IV. See Exhibits D and F for the proposed well, proration unit, drilling windows, and all wells. Apache does not believe it is cost effective to directionally drill from an existing pad.

V. See Exhibits B and F for surface uses (3 Yeso wells, 1 Abo well, and 1 Queen-Grayburg-San Andres well, one authorized but as yet unbuilt caliche pit, US 82, well roads, and multiple pipelines) that prevent use of a legal location.

VI. Archaeology is not an issue.

VII. The well was planned to be staked at 330 FSL & 990 FWL. However, that would force the reroute of at least seven pipelines and one road (see Exhibit B).

VIII. Apache does not believe directional drilling to a legal bottom hole location is cost effective.

IX. I hereby certify that Apache Corporation and its partners have 100% of the Yeso working interest in the lease which comprises the proposed 40 acre spacing unit and the adjacent quarter-quarters on one or more of the two sides or the single closest corner to the proposed well toward which it encroaches and that the information is current and correct.

I hereby attest that I, on or before the date that the application was submitted to the division, sent notification to the affected persons (see EXHIBIT G) by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division receives the application. These affected persons have working or royalty interests in quarter-quarters which border the 40 acre

spacing unit. Said notice was sent to:

NM State Land Office  
COG Operating LLC  
Khody Land and Minerals Company  
Yates Petroleum Corporation  
Chase Oil Corporation  
Marathon Oil Company



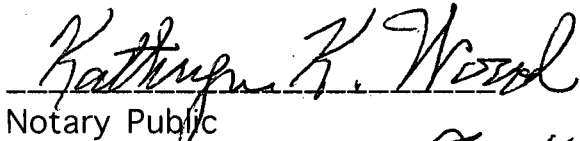
\_\_\_\_\_  
Brian Wood, Consultant

1-19-12

\_\_\_\_\_  
Date

STATE OF NEW MEXICO       )  
  ) SS:  
COUNTY OF SANTA FE       )

The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Brian Wood. Witness my hand and official seal.

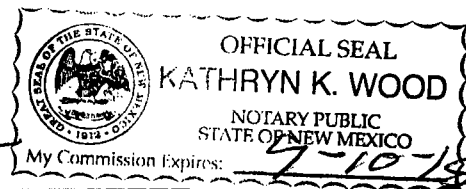


Notary Public

My Commission Expires: 9-10-15

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508

cc: Flores, OCD (Artesia & Santa Fe)



**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 Rd., Artesia, 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 141004

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

1. Operator Name and Address <b>APACHE CORP</b> <b>303 Veterans Airpark Lane</b> <b>Midland, TX 79705</b>		2. OGRID Number <b>873</b>
		3. API Number <b>30-015-39743</b>
4. Property Code <b>308712</b>	5. Property Name <b>D STATE</b>	6. Well No. <b>069</b>

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
<b>M</b>	<b>25</b>	<b>17S</b>	<b>28E</b>	<b>M</b>	<b>220</b>	<b>S</b>	<b>990</b>	<b>W</b>	<b>EDDY</b>

**8. Pool Information**

<b>ARTESIA, GLORIETA-YESO (O)</b>	<b>96830</b>
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**Additional Well Information**

9. Work Type <b>New Well</b>	10. Well Type <b>OIL</b>	11. Cable/Rotary	12. Lease Type <b>State</b>	13. Ground Level Elevation <b>3674</b>
14. Multiple <b>N</b>	15. Proposed Depth <b>4600</b>	16. Formation <b>Yeso Formation</b>	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
<b>Surf</b>	<b>12.25</b>	<b>8.625</b>	<b>24</b>	<b>400</b>	<b>300</b>	
<b>Prod</b>	<b>7.875</b>	<b>5.5</b>	<b>17</b>	<b>4600</b>	<b>740</b>	

**Casing/Cement Program: Additional Comments**

--------------

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
<b>Hydril</b>	<b>3000</b>	<b>2000</b>	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Electronically filed by Bobby Smith		Approved By: <b>Randy Dade</b>	
Title:		Title: <b>District Supervisor</b>	
Email Address: <b>bobby.smith@apachecorp.com</b>		Approved Date: <b>12/6/2011</b>   Expiration Date: <b>12/6/2013</b>	
Date: <b>12/5/2011</b>	Phone: <b>432-818-1020</b>	Conditions of Approval Attached	

**EXHIBIT A**

# SECTION 25, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.

EDDY COUNTY

NEW MEXICO

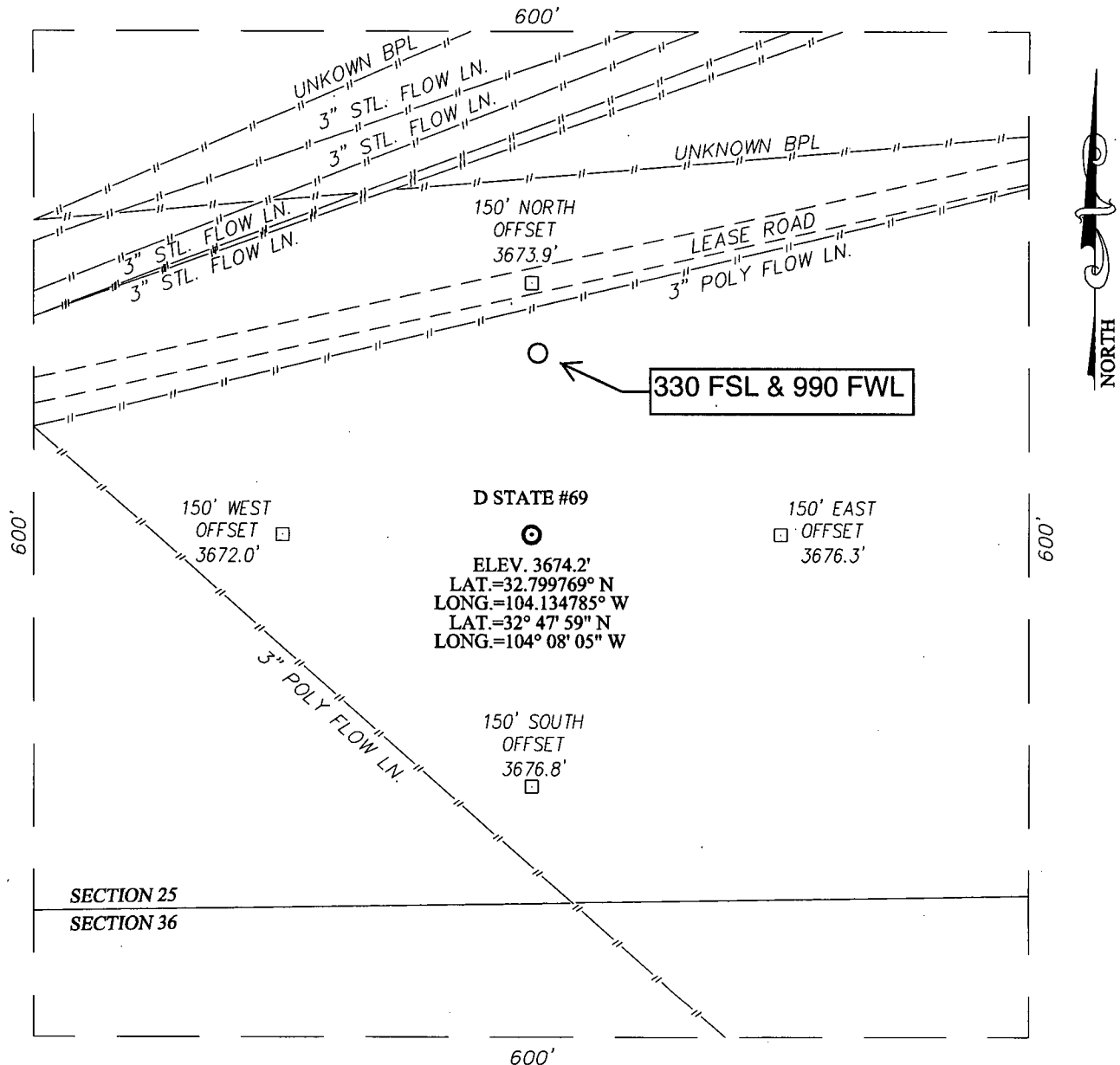
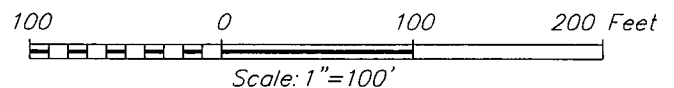


EXHIBIT B

## DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY. #82 AND CO. RD. #209 (TURKEY TRACK RD.) GO NORTHEAST ON U.S. HWY. #82 FOR APPROX. 1.1 MILES. TURN RIGHT AND GO SOUTHEAST APPROX. 0.2 MILES. TURN RIGHT AND GO SOUTHWEST APPROX. 0.3 MILES. THE LOCATION STAKE IS APPROX. 150 FEET SOUTH OF ROAD.



PROVIDING SURVEYING SERVICES  
SINCE 1946

**JOHN WEST SURVEYING COMPANY**

412 N. DAL PASO  
HOBBS, N.M. 88240  
(575) 393-3117

## APACHE CORPORATION

D STATE #69 WELL  
 LOCATED 220 FEET FROM THE SOUTH LINE  
 AND 990 FEET FROM THE WEST LINE OF SECTION 25,  
 TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO

Survey Date: 11/09/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.2312	Dr. By: ACR Rev 1:
Date: 11/30/11	Rel. W.O.: 11112312 Scale: 1"=100'

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 Fax: (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

API Number	Pool Code	Pool Name
Property Code	Property Name D STATE	Well Number 69
OGRID No.	Operator Name APACHE CORPORATION	Elevation 3674'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	17-S	28-E		220	SOUTH	990	WEST	EDDY

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 or Infill	Consolidation Code	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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=654724.4 N X=561008.8 E</p> <p>LAT.=32.799769° N LONG.=104.134785° W</p> <p>LAT.=32° 47' 59" N LONG.=104° 08' 05" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
<p>990'</p> <p>220'</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 9, 2011</p> <p>Date of Survey _____</p> <p>Signature of Professional Surveyor: <i>Ronald J. Eidson</i></p> <p>NEW MEXICO REGISTERED SURVEYOR 3239</p> <p>Certificate Number 33112641 Ronald J. Eidson 3239</p> <p>ACR JWSC W.O.: 11.11.2312</p>

**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  
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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-102  
August 1, 2011  
Permit 141004

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-39743	2. Pool Code 96830	3. Pool Name ARTESIA; GLORIETA-YESO (O)
4. Property Code 308712	5. Property Name D STATE	6. Well No. 069
7. OGRID No. 873	8. Operator Name APACHE CORP	9. Elevation 3674

**10. Surface Location**

UL - Lot M	Section 25	Township 17S	Range 28E	Lot Idn	Feet From 220	N/S Line S	Feet From 990	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint 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: 12/5/2011

**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.*

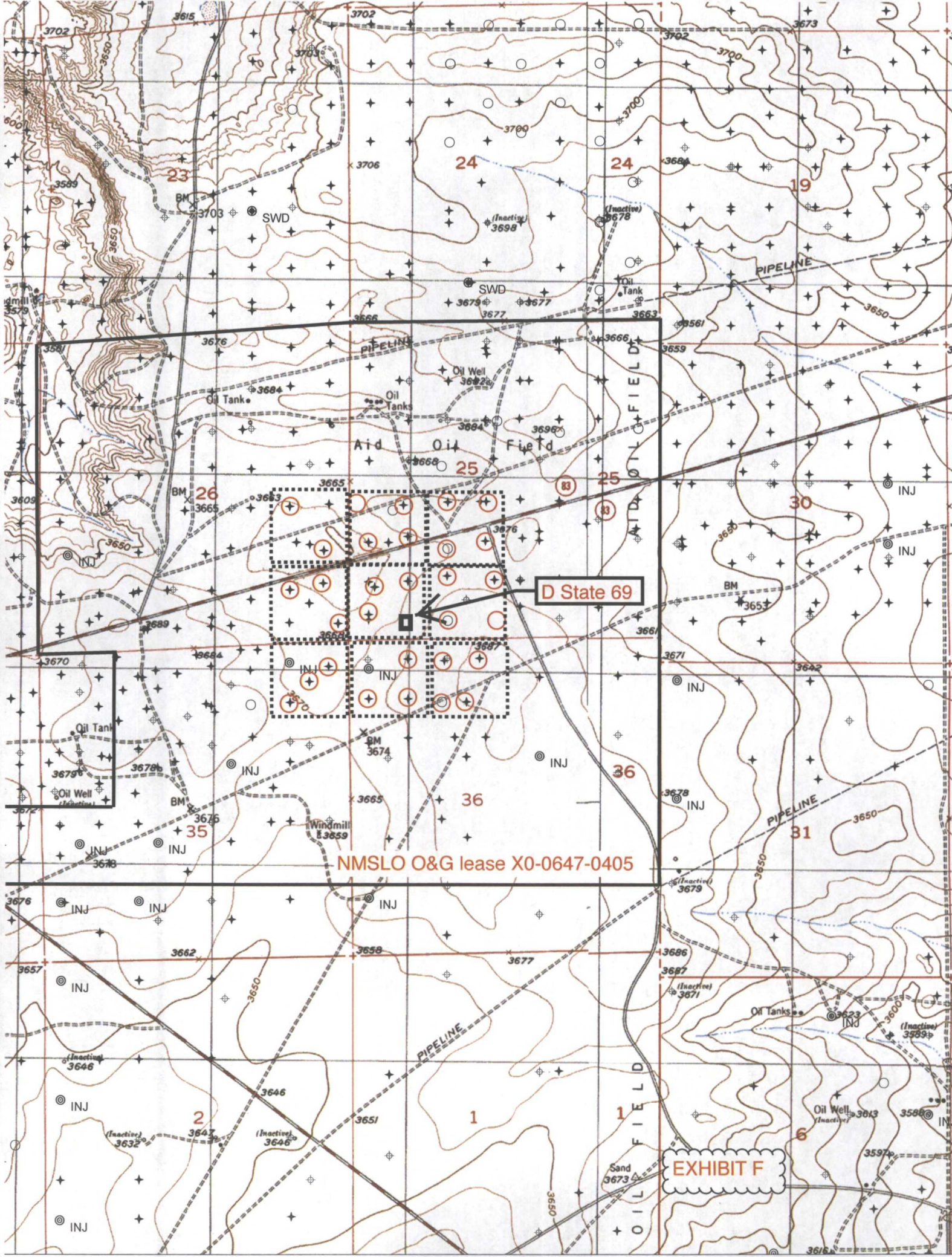
Surveyed By: RONALD EIDSON  
Date of Survey: 11/9/2011  
Certificate Number: 3239

**EXHIBIT D**











**PERMITS WEST**, INC.  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

NM State Land Office  
P. O. Box 1148  
Santa Fe, NM 87504

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 ID: 4,600'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

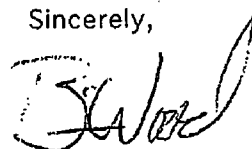
Applicant Name: Apache Corporation (432) 818-1167

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

5850 901E 0000 0552 2002

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
OFFICIAL USE	
Postage	\$ 0.44
Certified Fee	\$2.85
Return Receipt Fee (Endorsement Required)	\$2.30
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.59

0501  
05  
Postmark Here  
01/19/2012

Sent To: NM SCO

Street, Apt. No., or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2008

EXHIBIT G

**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

David Evans  
COG Operating LLC  
550 West Texas Ave., Suite 100  
Midland, TX 79701

Dear Mr. Evans:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

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Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

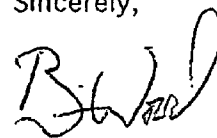
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Please call me if you have any questions.

Sincerely,



Brian Wood

2650 901E E000 0952 2007

U.S. Postal Service™		
CERTIFIED MAIL™ RECEIPT		
(Domestic Mail Only; No Insurance Coverage Provided)		
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>		
<b>OFFICIAL USE</b>		
Postage	\$ 0.64	0501
Certified Fee	\$2.85	05
Return Receipt Fee (Endorsement Required)	\$2.30	SANTA FE Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	JAN 19 2012
Total Postage & Fees	\$ 5.79	01/19/2012
Sent To COG		
Street, Apt. No., or PO Box No.		
City, State, ZIP+4		
PS Form 3800, August 2006 See Reverse for Instructions		

EXHIBIT G

# PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

January 19, 2012

Land Department  
Khody Land and Minerals Company  
3817 NW Expressway, Suite 950  
Oklahoma City, OK 73112

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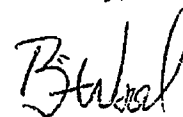
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Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

7007 2560 0003 3707 8250 907E E000 0952 7007

U.S. Postal Service <sup>TM</sup>	
CERTIFIED MAIL <sup>TM</sup> RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
Postage	\$ 0.64
Certified Fee	\$2.85
Return Receipt Fee (Endorsement Required)	\$2.30
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.79
0501	
SANTA FE	
JAN 19 2012	
01/19/2012	
Sent To	
Street, Apt. No., or PO Box No.	
City, State, Zip+4	
PS Form 3800, August 2006	
See Reverse for Instructions	

EXHIBIT G

**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Chuck Moran  
Yates Petroleum Corporation  
105 South 4th St.  
Artesia, NM 88210

Dear Mr. Moran:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

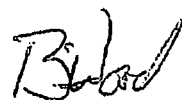
Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 ID: 4,600'  
Proposed NSL Zone: Artesia; Glorieta-Yeso (O)  
NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)  
Approximate Location: ≈9 air miles west-southwest of Loco Hills, NM  
Applicant Name: Apache Corporation (432) 818-1167  
Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

7010 0240 0000 9224 3870

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<b>OFFICIAL USE</b>	
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Total Postage & Fees	\$ 5.59
0501 05 Postmark Here	
JAN 19 2012	
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EXHIBIT G

**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Staci Sanders  
Chase Oil Corporation  
P. O. Box 960  
Artesia, NM 88211-0960

Dear Ms. Sanders:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Apache Corporation is applying to drill its D State 69 oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The well is 110' further south than is standard (see attachment). Thus, it is a nonstandard location. The NSL is due to land uses.

Well Name: D State 69 TD: 4,600'

Proposed NSL Zone: Artesia; Glorieta-Yeso (O)

NSL Acreage Dedication: 40 acres (SWSW Section 25, T. 17 S., R.28 E., Eddy County, NM on State lease X0-0647-0405 (well is 4,180' from the closest lease boundary)

Approximate Location: ~9 air miles west-southwest of Loco Hills, NM

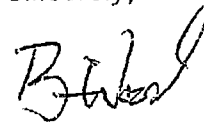
Applicant Name: Apache Corporation (432) 818-1167

Applicant's Address: 303 Veterans Airpark Lane, Suite 300, Midland, TX 79705

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division (NMOCD). If you have an objection, then it must be filed in writing within 20 days from the date the NMOCD receives the application. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

Please call me if you have any questions.

Sincerely,



Brian Wood

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Total Postage & Fees	\$ 5.59	

Sent To: *Chase*  
Street, Apt. No.,  
or PO Box No.  
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7030 0250 0000 9224 386

Postmark: USPS SANTA FE, NM 87505  
01/19/2012 9 2012  
CORONADO STATION

EXHIBIT G

**PERMITS WEST, INC.**  
PROVIDING PERMITS for LAND USERS  
37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

January 19, 2012

Joe Rusnak  
Marathon Oil Company  
200 North Lorraine, Suite 1222  
Midland, TX 79701

Dear Mr. Rusnak:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

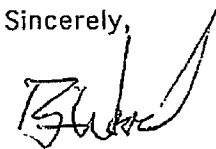
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Approximate Location: ~9 air miles west-southwest of Loco Hills, NM  
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Please call me if you have any questions.

Sincerely,



Brian Wood

7010 0780 0002 2988 2307

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Total Postage & Fees	\$ 5.79
0501	
JAN 19 2012	
01/19/2012	
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PS Form 3800, August 2006	
See Reverse for Instructions	

Marathon

EXHIBIT G