Susana Martinez Governor

John Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



June 18, 2012

Apache Corporation c/o Permits West, Inc. Attn: Mr. Brian Wood

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6642 Administrative Application Reference No. pTWG12-14630708

Apache Corporation OGRID 873 Washington 33 State Well No. 38 API No. 30-015-40014

Proposed Location:					
Footages	_Unit	Section	Township	Range	County
1525 FSL & 2360 FEL	J	33	17S	28E	Eddy
Proposed Unit:				i.	
Description	Acres	Pool			Pool Code
NW/4 SE/4 of Section 33	40	Artesia; Glorieta-Yeso			96830

Reference is made to your application received on May 24, 2012.

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 15.9.A [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.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location to avoid interference with existing surface facilities.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

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Pursuant to the authority conferred by Division Rule 15.13.B, 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 5.9 [19.15.15.9 NMAC].

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

Sincerely,

~ Ong

Jami Bailey Director

JB/db

cc: New Mexico Oil Conservation Division – Artesia New Mexico State Land Office