

DATE IN 11-5-12	SUSPENSE NA	ENGINEER DB	LOGGED IN 11-5	TYPE NSL	APP NO. PDKB1231038160
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Apuehl

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
 X NSL ☐ NSP ☐ SD

Washington 33 State 57
 30-015-40159

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

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- [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.

Brian Wood

Signature

Consultant

11-2-12

Print or Type Name

Title

Date

brian@permitswest.com

e-mail Address

**REQUEST FOR ADMINISTRATIVE APPROVAL
NONSTANDARD LOCATION
APACHE CORPORATION
WASHINGTON 33 STATE 57
1565' FSL & 1750' FEL
SECTION 33, T. 17 S., R. 28 E., EDDY COUNTY, NM
API 30-015-40159**

I. The proposed well is on New Mexico State Land Office (NMSLO) oil and gas lease X0-0647-0408 and private surface (Bogle Ltd. Company). The well bore will be 1,565' from the closest (south) lease line. The proposed oil well is nonstandard for the Artesia; Glorieta-Yeso (O) Pool (96830) due to land uses (buried pipelines). A copy of the APD cover sheet is attached (Exhibit A).

Apache requests a nonstandard location due to land uses. There are multiple power lines, multiple buried and surface pipelines, a playa, two Artesia; Queen-Grayburg-San Andres wells, two Yeso wells, and five P & A wells in the NWSE Section 33.

The 480-acre state lease comprises the E2 and E2W2 of Section 33. The well was planned to be staked at 1650 FSL & 1750 FEL. However, that would overlap buried pipelines (see Exhibit B).

A standard location must be at least 330' from the quarter-quarter line. The well bore is 245' from the closest quarter-quarter line (south side of the quarter-quarter). It is 95' too far south (see C-102 as EXHIBIT C).

II. Form C-102 showing the well and 40 acre pro ration unit (NWSE Section 33) is attached as EXHIBIT C.

The oil and gas lease boundary is marked as a solid line on the attached (EXHIBIT D) topographic map. The well bore encroaches 95' too far south. There are 2 existing and 2 approved but not yet drilled Yeso wells in the encroached quarter-quarter (SWSE Section 33). There are 3 existing and 3 approved but not yet drilled Yeso wells in the two other closest quarter-quarters (E2SE4 Section 33). All of these wells are Apache wells.

All eight bordering or cornering quarter-quarters are on the same state lease (Exhibit D).

III. See Exhibit E for existing and approved but not yet drilled Yeso wells (circles). Apache operates all existing or proposed Yeso wells (circles on Exhibit E) in the 8 offset quarter-quarters. Closest (495') existing or approved Yeso well is Apache's approved but not yet drilled Washington 33 State 46 (30-015-40023) at 1080 FSL & 1650 FEL 33-17s-28e. Next closest (611') existing or approved Yeso well is Apache's approved but not yet drilled Washington 33 State 38 (30-015-40014) at 1525 FSL & 2360 FEL 33-17s-28e.

This information is current and correct.

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

V. See Exhibit B for surface uses (buried pipelines) that prevent use of a standard location. There are multiple power lines, multiple buried and surface pipelines, a playa, two Artesia; Queen-Grayburg-San Andres wells, two Yeso wells, and five P & A wells in the NWSE Section 33.

VI. Archaeology is not an issue.

VII. It was planned to stake the well at 1650 FSL & 1750 FEL. However, that would overlap multiple buried pipelines (see Exhibit B).

VIII. Apache does not believe directional drilling to a standard bottom hole location is cost effective for this well.

IX. I hereby certify that there is common ownership and partner approval of the Yeso working interest in the lease which comprises the proposed 40 acre spacing unit (NWSE Section 33), the adjacent quarter-quarter (SWSE Section 33) of the side toward which it encroaches, and the single closest corner to the proposed well (E2SE4 Section 33) toward which it encroaches and that the information is current and correct. Therefore, notice to any affected party is not required.

B. Wood

Brian Wood, Consultant

11-2-12

Date

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

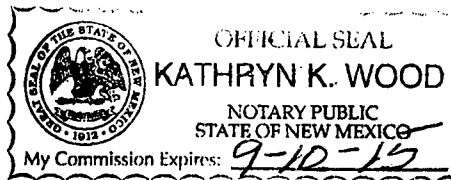
The foregoing instrument was acknowledged before me this *2nd* day of November, 2012 by Brian Wood. Witness my hand and official seal.

Kathryn K. Wood

Notary Public

My Commission Expires: *9-10-15*

Business Address:



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., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 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 146789

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

1. Operator Name and Address APACHE CORP 303 Veterans Airpark Lane Midland, TX 79705		2. OGRID Number 873
		3. API Number 30-015-40159
4. Property Code 309175	5. Property Name WASHINGTON 33 STATE	6. Well No. 057

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	33	17S	28E	J	1565	S	1750	E	EDDY

8. Pool Information

ARTESIA; GLORIETA-YESO (O)	96830
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3668
14. Multiple N	15. Proposed Depth 5100	16. Formation Yeso Formation	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
Surf	12.25	8.625	24	500	350	
Prod	7.875	5.5	17	5100	750	

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	2000	

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"/> .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Bobby Smith		Approved By: Randy Dade	
Title:		Title: District Supervisor	
Email Address: bobby.smith@apachecorp.com		Approved Date: 4/12/2012 Expiration Date: 4/12/2014	
Date: 4/6/2012	Phone: 432-818-1020	Conditions of Approval Attached	

EXHIBIT A

SECTION 33, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

APACHE CORPORATION
WASHINGTON 33 STATE #57
ELEV. - 3668'

Lat - N 32°47'17.81"
Long - W 104°10'41.14"
NMSPCE- N 650543.751
E 589043.069
(NAD-83)

Lat - N 32°47'17.40"
Long - W 104°10'39.30"
NMSPCE- N 650480.779
E 547863.925
(NAD-27)

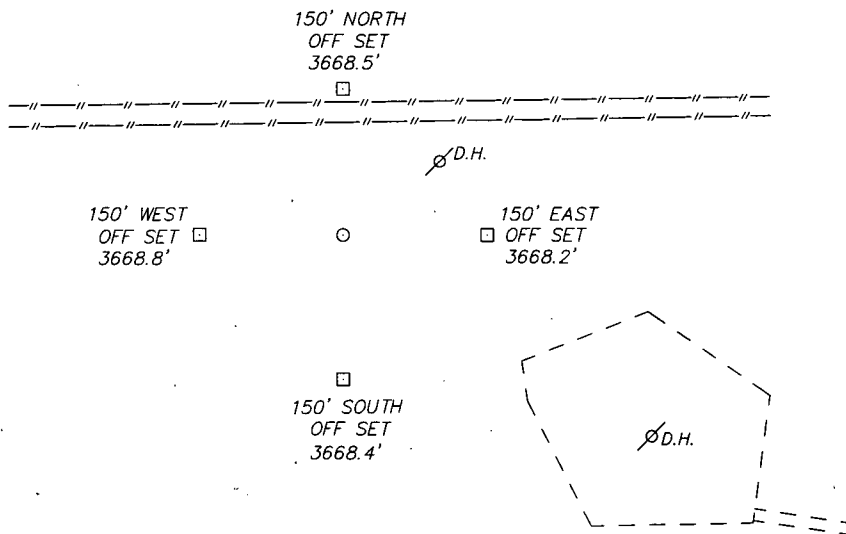


EXHIBIT B

200 0 200 400 FEET
SCALE: 1" = 200'

Directions to Location:

FROM THE JUNCTION OF ARTESIA HWY AND HOLT, GO
SOUTH ON HOLT FOR 0.5 MILES TO OLD LOCATION
AND PROPOSED LOCATION.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 26387 Drawn By: J. SMALL

Date: 04-02-2012 Disk: JMS 26387

APACHE CORPORATION

REF: WASHINGTON 33 STATE #57 / WELL PAD TOPO

THE WASHINGTON 33 STATE #57 LOCATED 1565'
FROM THE SOUTH LINE AND 1750' FROM THE EAST LINE OF
SECTION 33, TOWNSHIP 17 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 03-28-2012 Sheet 1 of 1 Sheets

Looking east from 1650 FSL & 1750 FEL



EXHIBIT B

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) 748-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-40159	Pool Code 96830	Pool Name Artesia - Morieta - Yes
Property Code	Property Name WASHINGTON 33 STATE	Well Number 57
GRID No.	Operator Name APACHE CORPORATION	Elevation 3668'

Surface Location

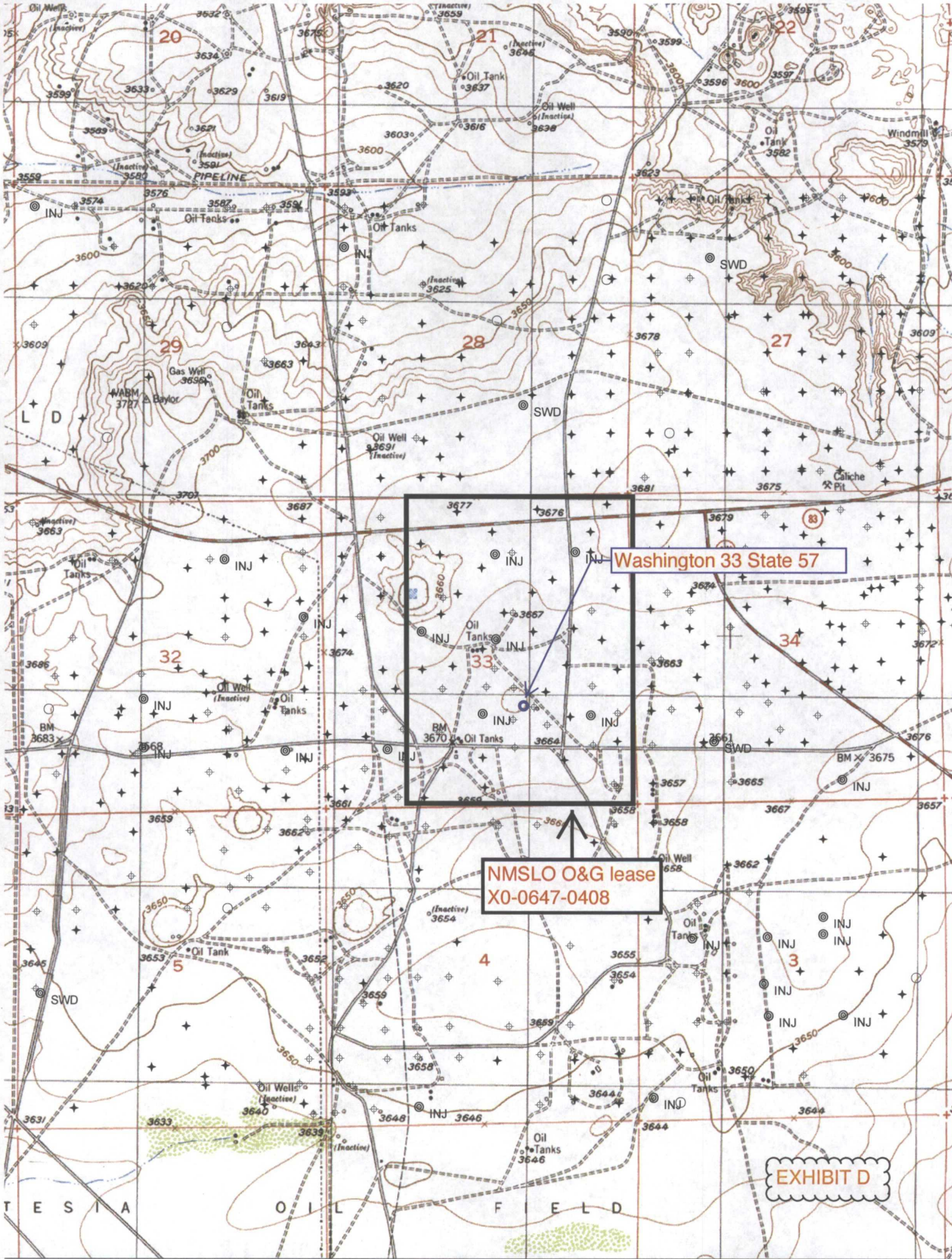
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	33	17 S	28 E		1565	SOUTH	1750	EAST	EDDY

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

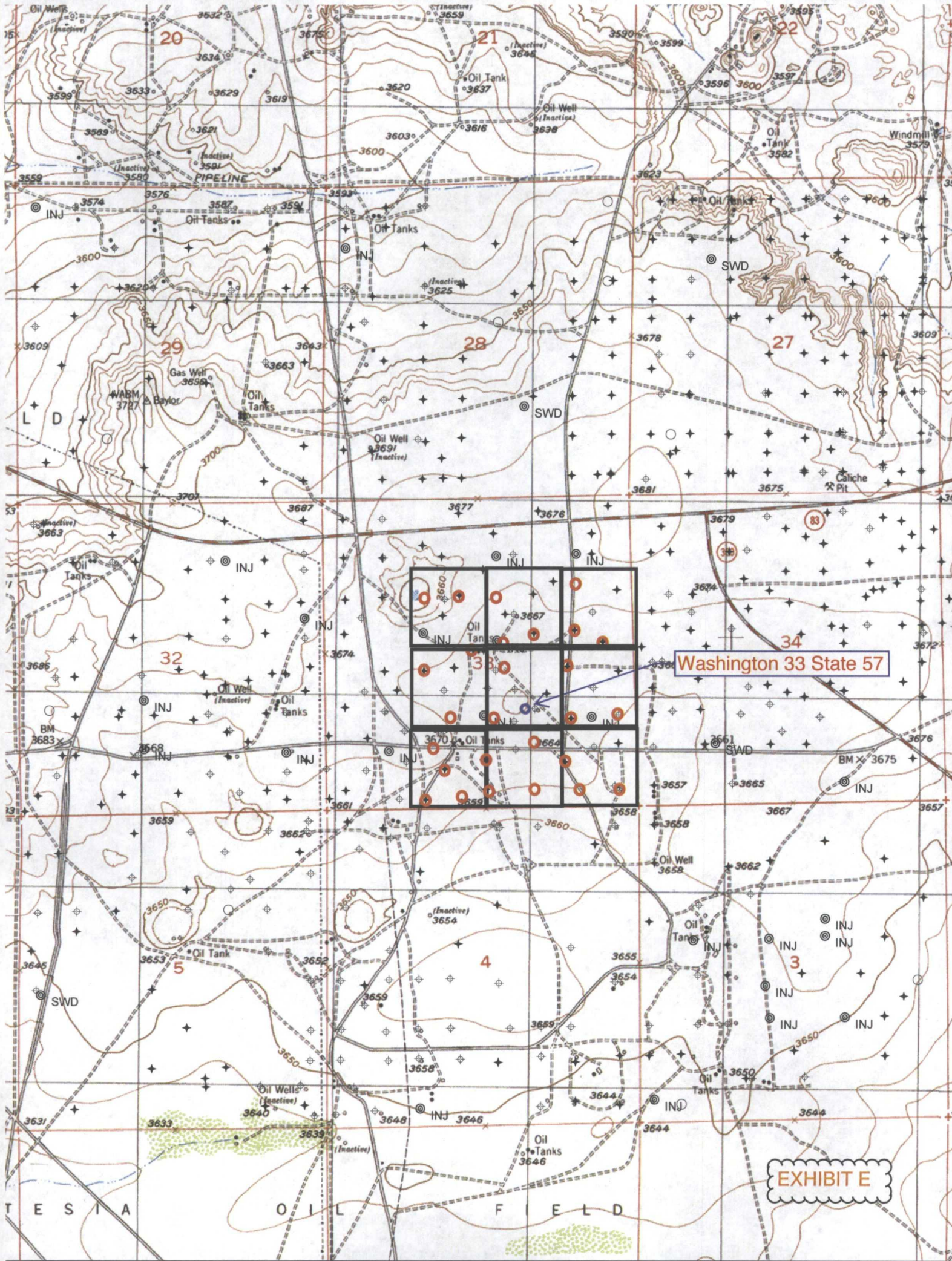
<div><p>SURFACE LOCATION Lat - N 32°47'17.81" Long - W 104°10'41.14" NMSPCE- N 650543.751 E 589043.069 (NAD-83) Lat - N 32°47'17.40" Long - W 104°10'39.30" NMSPCE- N 650480.779 E 547863.925 (NAD-27)</p><p><i>Handwritten:</i> 4304 430 = 184,900 245 x 245 = 60,025 184,900 + 60,025 = 244,925 244,925 = 491</p></div>	<div><p>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 heretofore entered by the division.</p><p>Signature _____ Date _____</p><p>Printed Name _____</p><p>Email Address _____</p></div>
	<div><p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat is true and correct to the best of my belief.</p><p>EXHIBIT C</p><p>DATE SURVEYED MARCH 2012</p><p>Signature _____ Seal of Professional Surveyor 7977</p><p>Certificate No. Gary L. Jones 7977</p><p>BASIN SURVEYS 26387</p></div>



Washington 33 State 57

NMSLO O&G lease
X0-0647-0408

EXHIBIT D



Washington 33 State 57

EXHIBIT E