

| | | | | | |
|-----------------------|----------|------------------|-------------------------|-------------|---------------------------|
| DATE IN 11/05/2014 | SUSPENSE | ENGINEER MA M | LOGGED IN 11/05/2014 | TYPE NSL | APP NO. PMAM1430955742 |
|-----------------------|----------|------------------|-------------------------|-------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

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



IVED OOD

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

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.

David Catanach
 Print or Type Name

Signature

Date

Agent for Apache Corporation
 Title

drcatanach@netscape.com
 E-Mail Address

NSL 7188
 - Apache Corporation
 873
 well
 - WRA Anglen State
 #4
 30-015-42582
 Pool
 - Artesia, Glorieta
 YES
 96830

November 5, 2014

Hand Delivered

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

Attention: Ms. Jami Bailey
Division Director

Re: Application for Unorthodox Well Location
Wrangler State Well No. 4
API No. (30-015-42582)
250' FSL & 1650' FEL (Unit O)
Section 28, T-17 South, R-28 East, NMPM,
Eddy County, New Mexico

Dear Ms. Bailey:

Pursuant to Division Rule 19.15.15.13, Apache Corporation ("Apache") respectfully requests administrative approval of an unorthodox oil well location for its proposed Wrangler State No. 4. This well will be drilled as a development oil well in the Artesia Glorieta-Yeso Pool (96830).

The proposed Wrangler State No. 4 will be dedicated to an existing standard 40-acre oil spacing and proration unit in the Artesia Glorieta-Yeso Pool comprising the SW/4 SE/4 of Section 28. This unit is currently dedicated to Apache's: i) proposed Wrangler State No. 2 (API No. 30-015-42580) located at a standard well location 990 feet from the South line and 2310 feet from the East line; and ii) proposed Wrangler State No. 3 (API No. 30-015-42581) located at an unorthodox well location 280 feet from the South line and 2310 feet from the East line.

The Artesia Glorieta-Yeso Pool is currently governed by Division Rule 19.19.15.9 which requires standard 40-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit.

The attached vicinity map shows that the proposed unorthodox well location is necessary in order to avoid an existing pipeline.

The affected offset tracts are the NW/4 NE/4 and NE/4 NE/4 of Section 33, Township 17 South, Range 28 East, NMPM (**See Attached Plat**). These affected offset tracts are currently operated by Apache in the Artesia Glorieta-Yeso Pool. Please note that Apache owns 100% of the working interest in both affected offset tracts.

Consequently, notice of this application is not required and has not been provided to any party.

Attached is a Form C-102 showing the proposed well, spacing unit, other proposed wells in the spacing unit, and the affected offset acreage. Also attached is a vicinity map.

In summary, approval of the application will provide Apache Corporation the opportunity to recover additional oil and gas reserves from the Artesia Glorieta-Yeso Pool underlying the SW/4 SE/4 of Section 28 that may otherwise not be recovered by the proposed producing wells, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach, Agent
Apache Corporation
303 Veterans Airpark Lane
Suite 3000
Midland, Texas 79705

Xc: OCD-Artesia

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6181 Fax: (505) 393-6763

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 745-1553 Fax: (505) 745-9756

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 834-6178 Fax: (505) 834-6170

DISTRICT IV
1200 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-5485 Fax: (505) 476-5482

State of New Mexico
Energy, Minerals and 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|------------------------------|--|--|
| API Number 30-015- | Pool Code 96830 | Pool Name Artesia; Glorieta - Yeso |
| Property Code | Property Name WRANGLER STATE | Well Number 4 |
| OGRID No. 873 | Operator Name APACHE CORPORATION | Elevation 3684 |

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | SOUTH/South line | Feet from the | East/WEST LINE | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| 0 | 28 | 17 S | 28 E | | 250 | SOUTH | 1650 | EAST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | SOUTH/South line | Feet from the | East/WEST LINE | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

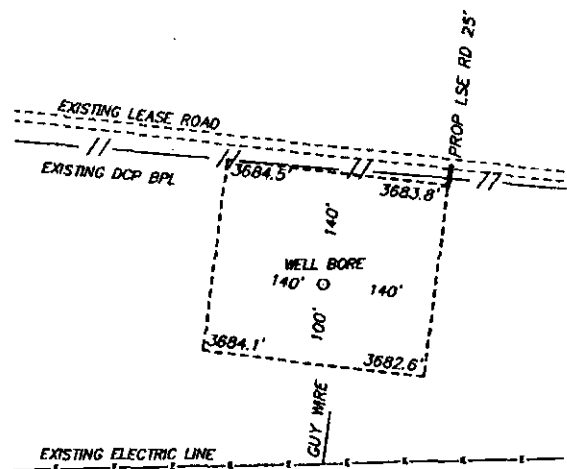
| | | | |
|------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|------------------------------|-----------------|--------------------|-----------|

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>Lat - N 32.812355° Long - W 104.189253° NMSPC-E: 559297.4 E: 585602.3 (NAD83)</p> <p>Lat - N 32.812240° Long - W 104.186741° NMSPC-E: 559234.3 E: 544423.2 (NAD27)</p> | <p>Lat - N 32.812584° Long - W 104.180802° NMSPC-E: 558377.2 E: 588198.6 (NAD83)</p> <p>Lat - N 32.812449° Long - W 104.180290° NMSPC-E: 559314.1 E: 547019.7 (NAD27)</p> | <p>Lat - N 32.812774° Long - W 104.172351° NMSPC-E: 559457.6 E: 590794.8 (NAD83)</p> <p>Lat - N 32.812659° Long - W 104.171839° NMSPC-E: 559394.5 E: 549615.7 (NAD27)</p> | <p>OPERATOR CERTIFICATION</p> <p>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 undivided 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><i>Michelle Cooper</i> 8-13-14 Signature Date</p> <p><i>Michelle Cooper</i> Printed Name</p> <p><i>michelle.cooper@apachecorp.com</i> Email Address</p> |
| <p>Lat - N 32.805220° Long - W 104.189361° NMSPC-E: 558701.8 E: 585372.7 (NAD83)</p> <p>Lat - N 32.805105° Long - W 104.188849° NMSPC-E: 558636.8 E: 544593.6 (NAD27)</p> | <p>Lat - N 32.798899° Long - W 104.177911° NMSPC-E: 554443.5 E: 589094.2 (NAD83)</p> <p>Lat - N 32.798890° Long - W 104.177411° NMSPC-E: 547811.2 (NAD27)</p> | <p>Lat - N 32.805595° Long - W 104.172449° NMSPC-E: 558945.7 E: 590768.8 (NAD83)</p> <p>Lat - N 32.805480° Long - W 104.171937° NMSPC-E: 558782.6 E: 549589.7 (NAD27)</p> | <p>SURFACE LOCATION</p> <p>Lat - N 32.798899° Long - W 104.177911° NMSPC-E: 554443.5 E: 589094.2 (NAD83)</p> <p>Lat - N 32.798890° Long - W 104.177411° NMSPC-E: 547811.2 (NAD27)</p> |
| <p>Lat - N 32.798879° Long - W 104.189436° NMSPC-E: 554103.8 E: 585547.2 (NAD83)</p> <p>Lat - N 32.797985° Long - W 104.188944° NMSPC-E: 554040.8 E: 544388.1 (NAD27)</p> | <p>Lat - N 32.798250° Long - W 104.181020° NMSPC-E: 554169.8 E: 588139.3 (NAD83)</p> <p>Lat - N 32.798135° Long - W 104.180508° NMSPC-E: 554108.8 E: 546980.2 (NAD27)</p> | <p>Lat - N 32.798419° Long - W 104.172530° NMSPC-E: 554234.8 E: 590741.8 (NAD83)</p> <p>Lat - N 32.798309° Long - W 104.172051° NMSPC-E: 554173.7 E: 549558.8 (NAD27)</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><i>JOSE L. JONES</i> Date Surveyed</p> <p><i>JOSE L. JONES</i> Signature of Professional Surveyor</p> <p><i>JOSE L. JONES</i> Certification Number 7977</p> <p>Scale: 1" = 1000' WO Num: 30703</p> |

| | | | | |
|--|--|--|---|--|
| | | | 28 | <p>OPERATOR CERTIFICATION</p> <p><i>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 bottomhole 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 heretofor entered by the Division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> |
| | | | | <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p> |
| | | <p>Wrangler State 2 (NYD)</p> <p>Wrangler State 4 (Proposed Well)</p> <p>Wrangler State 3 (NYD)</p> <p>1650'</p> <p>250'</p> | 33 | |
| | | <p>Affected Offset Tract Operator & 100% WI Owner: Apache</p> | <p>Affected Offset Tract Operator & 100% WI Owner: Apache</p> | |

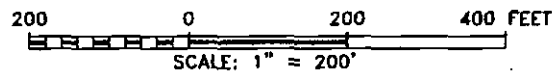
SECTION 28, TOWNSHIP 17 SOUTH, RANGE 28 EAST. N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



APACHE CORPORATION
WRANGLER STATE #4

ELEV. ~ 3684'
Lat - N 32.788899°
Long - W 104.177911°
NAD83
MNSPC: N: 634443.5
E: 569094.2
(NAD83)
Lat - N 32.788899°
Long - W 104.177911°
MNSPC: N: 634382.5
E: 547911.2
(NAD27)

ARTESIA, NM IS ±12 MILES TO THE NORTHWEST OF LOCATION.



Directions to Location:

FROM US HWY 82 AND RED LAKE GO NORTH 0.1
MILES, LEFT ON LEASE ROAD 391 FEET TO
PROPOSED LEASE ROAD ON LEFT.



P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basin surveys.com



REF: WRANGLER STATE #4 / WELL PAD TOPO

THE WRANGLER STATE #4 LOCATED 250' FROM
THE SOUTH LINE AND 1650' FROM THE EAST LINE OF
SECTION 28, TOWNSHIP 17 SOUTH, RANGE 28 EAST.
N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 30703 Drawn By: K. NORRIS Date: 07-21-2014 Survey Date: 07-16-2014 Sheet 1 of 1 Sheets